

ARAB SOCIALISM,

HUMAN RESOURCES DEVELOPMENT POLICIES AND LABOUR CONTROL

IN AN EGYPTIAN STATE ENTERPRISE

by

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## D E C L A R A T I O N

I hereby declare that this thesis is entirely my own composition.

Signed *Mohamed Ereisha*  
Mohamed M Ereisha

To my darling daughter Nahla  
who innocently missed her father's love  
throughout the preparation of this study.

# T A B L E   O F   C O N T E N T S

	PAGE
ACKNOWLEDGEMENTS	i.
ABSTRACT OF THESIS	ii.
LIST OF TABLES, FIGURES AND GRAPHS	iv.
 PART I : THE THEORETICAL FRAMEWORK AND CONTEXT OF THE STUDY	 1
<hr/>	
CHAPTER 1 - The evolution of the public sector in Egypt and the problem of the study.	3
CHAPTER 2 - Means of labour control at work : the model of the study.	12
CHAPTER 3 - Human resources development policies : the hypotheses of the study.	25
CHAPTER 4 - Study setting : textile industry in Egypt and the case study.	47
 PART II : HUMAN RESOURCES DEVELOPMENT POLICIES AS MEANS OF	
<hr/>	
LABOUR CONTROL AT WORK : THE EGYPTIAN PUBLIC	
ENTERPRISE CASE	60
<hr/>	
CHAPTER 5 - Workers' orientation to work.	62
CHAPTER 6 - The company wages and salary structure.	81
CHAPTER 7 - The effectiveness of incentive payment in the company.	104
CHAPTER 8 - The incentive effect of promotion in the company.	121
CHAPTER 9 - The effectiveness of performance appraisal in the company.	142
CHAPTER 10 - The effectiveness of disciplinary sanctions in the company	154
CHAPTER 11 - Workers' intent to leave, turnover and second job.	176
CHAPTER 12 - Control mechanisms in the company and the workers' response.	201



	PAGE
PART III : ARAB SOCIALISM AND THE QUESTION OF LABOUR CONTROL	
<u>AT WORK : IMPLICATIONS OF THE STUDY</u>	223
CHAPTER 13 - Class conflict in Arab socialism and some scenarios for the future.	225
CHAPTER 14 - Summary and conclusions.	243
APPENDIX (1) - Statistical Tables	250
APPENDIX (2) - The Questionnaires in English.	300
APPENDIX (3) - The Questionnaires in Arabic	334
BIBLIOGRAPHY	383

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## A B S T R A C T      O F      T H E S I S

In 1961, Egypt's major industries were taken into public ownership. This was accompanied by the enactment of a series of Laws which provided workers with guaranteed wages, protection against dismissal, and a package of other benefits. Bureaucratization took over and public enterprise was brought under the operational sphere of the Civil Service.

The present study considers the impact of Arab socialism on the effectiveness of rewards and sanctions as a means of control of workers in a state textile enterprise in Egypt. This involved an interview . . . survey of a sample of workers and management to investigate the workers' orientation to work and the company's human resources development policies. The study was particularly concerned with the payment system, promotion, performance appraisal and discipline.

The findings reveal that the workers are instrumentally oriented, and that years of employment experience is the most important variable in wages determination. Prospect of promotion has little effect on workers because the chances of promotion in the company are limited and also there are wide overlaps in the wages and salary structure. Workers' and management' responses indicate that performance appraisal neither reflects workers' performance nor their behaviour. Disciplinary sanctions are not effective because of the protection provided to the workers by socialist laws, and also because the company suffers from shortages of labour. The workers respond to labour control mechanisms in the company in different ways. Four 'typical' responses were revealed in the study: stayers with no second job, stayers with a

second job, workers planning to quit and victims of the system.

A final part seeks to link control of workers in public enterprise with the situation in the society at large, comparing the Egyptian case with some other developing countries. Finally, two proposals to revive control at the workplace are considered.

# LIST OF TABLES, FIGURES AND GRAPHS

	PAGE
TABLES :	
4/1	Production stages in cotton and rayon spinning factories. 50
4/2	The age distribution of the respondents. 54
4/3	Respondents' years of employment experience in the company. 55
4/4	The distance between work and hometown for non-Cairo born respondents. 57
5/1	Why workers decided to work for the company by hometown. 65
5/2	Rank order of the importance of six characteristics related to workers' jobs. 66
5/3	Percentages who selected each job-related characteristic as most important by education. 69
5/4	Workers' perceptions of the level of the characteristics present in their jobs. 71
5/5	Whether workers think about their jobs after work by occupation. 74
5/6	What workers would like to change in their jobs by education. 76
6/1	Coefficients on education and employment total experience. 90
6/2	Coefficients on employment current experience, previous experience and education. 92
6/3	Coefficient on education with the sample stratified by total experience. 93
6/4	Coefficient on total experience with the sample stratified by educational level. 95
7/1	The percentage of piece-rate payment to machine operators' total earnings per hour. 106
7/2	The percentages of management incentives. 109
7/3	Machine operators mean incentives and mean percentage of incentives to total earnings by age. 113
7/4	Mean incentives and mean percentage of incentives to earnings by occupation. 114
7/5	Mean of proposed amounts for workers incentives. 116



## Tables cont'd

## PAGE

8/1	The effects of some variables on workers' promotion.	125
8/2	The effects of some variables on the number of times of workers' promotion.	127
8/3	Workers and management perceptions of workers' interest in being promoted.	130
8/4	The effects of some variables on workers interest in being promoted.	131
8/5	Workers' and management perceptions of workers chances of promotion.	133
8/6	The effects of some variables on workers' perceptions of chances of promotion.	134
9/1	Whether workers and management know the factors used in workers appraisal.	145
9/2	Distribution of ratings given to workers in 1980 - 1982.	148
9/3	Reasons mentioned by workers and management for the unimportance of appraisal.	150
10/1	The effects of some variables on perceptions of whether supervisors' basic task is to ensure cooperation among workers.	157
10/2	Workers' and management perceptions of the strictness of the disciplinary system.	161
10/3	Whether disciplinary actions were taken against workers.	163
10/4	Whether the procedures of complaint provide adequate protection for workers by occupation.	166
10/5	Workers' perceptions of the adequacy of the procedures of complaint.	167
10/6	Are workers told about their mistakes at work?	170
10/7	Whether workers are praised when they do particularly good work.	171
11/1	Workers' monthly rent by earnings.	178
11/2	Percentage of monthly rent to workers' earnings by age.	179
11/3	Coefficient on age, earnings, education and place of birth.	181
11/4	Expected period for working with the company by age.	184
11/5	Workers' turnover from 1977 to 1982.	188

## Tables cont'd

		PAGE
11/6	Types of workers' second job.	192
11/7	Workers' earnings from second job by occupation.	194
12/1	The workers' 'typical' response to labour control mechanisms in the company.	217

## FIGURES :

2/1	The model of the study.	21
11/1	Workers' behaviour to satisfy their needs.	197

## GRAPHS :

6/1	Unadjusted age - earnings profiles for five different levels of education.	89
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## P A R T I

### THE THEORETICAL FRAMEWORK AND CONTEXT OF THE STUDY



Part I is divided into four chapters. Chapter 1 deals with the evolution of the public sector in Egypt, with particular reference to the bureaucratic mode used to control public enterprise. Chapters 2 and 3 develop the theoretical orientation of the study. In Chapter 2 we consider the means of Labour control at work in order to plan our model. The model is taken up to establish the hypotheses of the study in chapter 3. Chapter 4 sets out the general background for the study setting. It demonstrates the relative importance of the textile industry in Egypt, and the company which is the subject of the present study.

## C H A P T E R   O N E

### THE EVOLUTION OF THE PUBLIC SECTOR IN EGYPT AND THE PROBLEM OF THE STUDY

The year 1961 could be considered a major turning point in Egypt. It witnessed the largest nationalisation movement ever experienced in the country. According to O'Brien 865 companies were under state control in 1963<sup>(1)</sup>. The nationalised companies were grouped into 38 sectors according to the type of activity, and 38 Public Organisations were established to undertake the function of supervision.

The National Charter issued in 1962 stated that:

"the socialist solution to the problems of economic and social underdevelopment in Egypt .... was never a question of free choice" (2)

The Charter pointed out that Egyptian capitalists were 'incapable of shouldering the responsibility of nationalist aspirations'<sup>(3)</sup>, and because of that the only way was the 'creation of a capable public sector that would lead progress in all domains and bear the main responsibility of the development plan'<sup>(4)</sup>.

However, Aziz Sidqi, the minister of industry at the time of nationalisation decisions in 1961, said that the reasons for these decisions are unclear.

And he added that:

"Before the decrees, his Ministry issued an inventory of all Egyptian industries called the Dalil as-Sina'at. In May 1961 Nasser had a luncheon at Ma'mura in Alexandria, and he kept Sidqi after the others had gone. They went to his office where Sidqi saw on his desktop a copy of the Dalil.

Nasser then asked how could the state plan anything if the industrial sector was under the control of 'individuals'. Sidqi saw that Nasser had marked various companies with a lead pencil and that was that." (5)

Cooper suggests that the reason behind the wholesale nationalisation and adoption of 'Arab Socialism' was to use the state as a means of getting political support. He states that:

"The military coup d'état which toppled the monarchy in September 1952 was staged by a small group of junior officers who ..... lacked a political programme and a political organisation ..... Unable to create a political organisation of its own, the regime used the state to claim an extremely broad constituency" (6)

Waterbury also argues that the nationalisation policy was not 'primarily motivated by economic factors', but was rather to eliminate the economic base of the groups who could have possibly challenged the regime<sup>(7)</sup>.

Vatikiotis agrees with both Cooper and Waterbury since he states that:

"The 'socialist solution' ... was more of a necessity of power for the regime than a genuine ideological commitment to socialism" (8).

Dekmejian proposes that leaders who depend on charismatic authority are likely to institutionalise that authority. This usually occurs as they consecrate institutions and the process of social existence. Thus authority is routinised and bureaucratisation takes over<sup>(9)</sup>.

The emerging public sector as the main economic power in the country was one of these institutions<sup>(10)</sup>. Workers and employees of nationalised



enterprises became dependent on the state. At the same time, O'Brien points out that nationalisation created a new class of <sup>a</sup>bureaucrats who replaced capitalists with regard to the privileges they had before<sup>(11)</sup>. Cooper suggests that, since this class of <sup>a</sup>bureaucrats were gaining benefits from the state control of the economy, they also became committed to the regime<sup>(12)</sup>.

As a part of transformation, Law No 114 for 1961 entitled workers and employees to send one representative each to the boards of directors of all public enterprises. Laws 111 and 112 of 1961 entitled workers and employees to a quarter of the profits available for distribution to shareholders. In 1964, the regime provided an extensive and generous system of social security for all workers. Social insurance Law No 63 of 1964 stated that the state will guarantee fair treatment to all workers by means of limiting working hours, guaranteed wages, social insurance, health insurance, and the right to rest and vacations. Mabro and Radwan pointed out that the wages of workers in industry rose by 32 per cent between the years 1962 and 1964, 'a larger increase in twenty-four months than in the previous ten years',<sup>(13)</sup>.

With Arab socialism, market mechanisms were replaced by central planning. Profits are neither used to reward managers nor to keep enterprise in business. Public enterprise managers receive fixed salaries irrespective of the performance of their enterprises. Also, managements have to prepare various reports to different controlling bodies, such as the Central Agency for Audit. Managements have to abide by public sector Labour Law. For example, they cannot get rid of redundant labour, and workers are granted guaranteed wages unrelated to performance.<sup>(14)</sup>

Moreover, prices of inputs and outputs are controlled, but enterprises receive subsidies for controlled prices which are below production costs. For example, the subsidy for 'popular cloth' was £E46 million in 1979 and £E55.1 million in 1980<sup>(15)</sup>.

The problems of public enterprise in Egypt became clear in the late sixties and talks about the need for reform began at that time<sup>(16)</sup>. However, no real decision was taken to rid public enterprise of its problems. According to Dekmejian the reason was that Nasser felt that the reform;

"would have required a new round of tax and price increases, further exacerbating domestic discontent" (17)

At the same time, experience revealed that the bureau<sup>a</sup>cratisation of public enterprise is a major reason for its problems. There has been a tendency to emphasise centralised decision making, management by extensive procedures, and undue red tape<sup>(18)</sup>. Crozier defines a bureaucratic organisation as:

"an organisation that cannot correct its behaviour by learning from its errors". (19)

This usually occurs in centralised structures where one way communication, top-down, is found, rather than a two-way communication system. In such structures even the information which is sometimes provided by Lower to higher levels may not be accurate. Farber, for example, says that:

"under the conditions of complete political monopoly by the one-party state, authentic feedback, truthful information, and independent initiatives from below, are rare, if not altogether eliminated. In this situation, there usually develops an institutionalised tendency for subordinates



to tell their superiors what they want to hear, rather than the often unpleasant truth" (20).

After the death of President Nasser, the new leadership made it clear that reorientation of the economy was required<sup>(21)</sup>. They decided to open the door for foreign investment, and Law 43 was passed in 1974 concerning the investment of Arab and foreign funds and free zones. This signaled Egyptian Leaders' desire to follow an approach which relies more on market mechanisms. Bruton states that one of the major reasons for deciding to abandon the physical planning approach is that 'the talent required to make such an approach effective simply could not be found'<sup>(22)</sup>.

In 1975, it was decided to reorganise the public sector by Law 111 for 1975. Higher Sectoral Councils headed by the appropriate minister replaced Public Organisations. All the chairmen of the companies within the sector, three members with technical, administrative and legal expertise, and a representative of the Ministries of Finance, Planning, and Economy are members. The Law defines the responsibilities of these Higher Sectoral Councils as follows: (1) setting the overall objectives of the sector, (2) coordinating the plans and general policies of the member companies in the sector, (3) coordinating the investment project in accordance with the national plan, and (4) following up on the achievement of the sector objectives. Despite this change, one recent analysis concluded that the problems of public enterprise are still unresolved<sup>(23)</sup>.

In 1982 the UNDP/ILO Mission reported that:

"From the point of view of productive efficiency, the public enterprise have, given the constraints under which they operate, performed quite well during the past decade and there is nothing to indicate that public ownership per se should be an obstacle to efficiency. The public enterprise need badly, however, to be freed from bureaucratic strait-jackets and given full flexibility to perform their main objective, namely producing goods and services under decent conditions of work for their employees" (24).

With regard to public enterprise labour law, nothing much has changed.

Under Law No 48 for 1978 management have only freedom of hiring, but wages are still constrained by government intervention and workers continue to guarantee their jobs and other benefits. Perhaps it is risky to handle this matter - ie 'workers gains by socialist Laws' - for it may affect political stability. Another reason for the difficulty of change is that, as noted before, a cadre of bureaucrats has been formed, especially since a large number of enterprises were brought under government control in 1961. And, because those bureaucrats have interests in the continuation of the present structure<sup>(25)</sup>, it is difficult to challenge it. Crozier, talking about the issue of resistance to change in a bureaucratic system when it is confronted with difficulties states that;

"The resulting difficulties instead of imposing readjustment of the model, are utilised by individuals and groups for improving their position in the power struggle within the organisation. Thus a new pressure is granted for impersonality and centralisation, the only solution to the problem of personal privileges" (26).

The bureaucratic structure in Egypt has become not only too strong to be challenged, but also in a position to help private and foreign investors. Waterbury, for example, points out that:

"By the middle 1970s the managerial bourgeoisie, with its administrative core, private sector allies, and foreign benefactors, had consolidated itself and, because of its partial control over the state, conferred legitimacy upon itself. It was out in the open, courted by foreign businessmen, praised for its perseverance under Nasserist socialism, and promised a vanguard role in the development of Egypt's mixed economy" (27).

After Sadat's assassination, Mubarak was elected as President of Egypt. The new leadership is faced with a great challenge. That is, to correct past mistakes and achieve development. Public sector enterprise management is one of, or a reason for, Egypt's economic problems. In the present study we examine the impact of 'bureaucratic strait-jackets' on labour control at work. Mintzberg points out that a bureaucratic-type organisation "is a structure with an obsession, namely control" (28).

At the same time, Crozier states that:

"people have power over other people insofar as the latter's behaviour is narrowly limited by rules whereas their own behaviour is not" (29).

With regard to public enterprise in Egypt, the 'gains' granted to workers by socialist Laws and the process of bureaucratisation are expected to negatively affect public enterprise management power over workers. And this is what we consider in this study. In other words, the study furnishes an informative background for the assessment of the impact of socialist Laws on the effectiveness of control devices in public enterprise.



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## C H A P T E R   T W O

### MEANS OF LABOUR CONTROL AT WORK: THE MODEL OF THE STUDY

Undoubtedly, management have to use some mechanisms of control in order to transform labour power to labour. The importance of labour control stems from the fact that workers' interests are different from management interests <sup>(1)</sup>. Labour control is inevitable in capitalism in order that capitalists can achieve profits and ensure the process of accumulation of wealth. In socialist societies, on the other hand, labour control at work is also needed because these societies use the mode of production of capitalism <sup>(2)</sup>. In the two systems, capitalism and socialism, the equipment and the system of management are similar. For example, Lenin:

"was clear that discipline, hierarchy and control were necessary in a socialist society" <sup>(3)</sup>.

Lenin, also, introduced Taylorism into Russian industry, because of its achievements in the United States at that time <sup>(4)</sup>. Furthermore, Hill points out that in both capitalism and socialism, the workers do not own the means of production and they do not know how the profits of their production are distributed <sup>(5)</sup>.

Two of the key workers in the field of control have offered two definitions which clarify the purpose of control. Tannenbaum defines control as:

"any process in which a person or group of persons or organisation of persons determines, that is, intentionally affects, the behavior of another person, group, or organisation" <sup>(6)</sup>.

Edwards defines control as:

"the ability of capitalists and/or managers to obtain desired work behavior from workers. Such ability exists in greater or lesser degrees, depending upon the relative strength of workers and their bosses" <sup>(7)</sup>.

The two definitions indicate three points. First, the purpose of control is to influence the behaviour of organisation members on the job. Second, control is an interpersonal process, for managers exercise control over workers who can respond in different ways as discussed below. Third, in both capitalism and socialism enterprise management conduct the function of labour control. But the significant difference between the two systems is that, in capitalism management conduct this function to meet the interests of ownership in profits and accumulation, with minimal intervention from government. But in socialism, where political administration controls the economy, the relation between workers and management is controlled by rules underpinned by law. The rules may cover all aspects of this relation, including working hours, wages, insurance, pensions and all other benefits. This affects labour control in socialist societies in two ways:

(1) enterprise management have less power over workers compared to enterprise management in capitalist societies, and (2) as a concomitant of (1) there is only limited scope for workers to satisfy their economic needs through an 'effort bargain'<sup>(8)</sup> with management. Therefore, they may try to find additional means to satisfy their economic needs outside public enterprise.

Different research workers have discussed different control devices.

For example, Braverman talked about Taylorian control, Edwards distinguished between technical control and bureaucratic control, and Friedman identified direct control and responsible autonomy. Our main concern here is not to discuss these techniques for they are demonstrated in detail in other places<sup>(9)</sup>. Rather, the means of control which could be used in a bureaucratic structure are the focus of attention.

To start with, technical control is defined as a strategy which:



"involves designing machinery and planning the flow of work to minimise the problem of transforming labor power into labor as well as to minimise the purely physically based possibilities for achieving efficiencies"(10).

but, as demonstrated in chapter 4, the textile industry is a man-machine system and not a continuous process, as are assembly lines. Hence, technical control is used as a partial means in addition to other means of control in the textile industry. Also, Thompson raised the point that, even in industries where technical control is supposed to be effective, such as car industry, other devices, such as payment systems, are used as an additional means of control<sup>(11)</sup>.

With regard to payment systems as a means of labour control, Taylorism provided the first example. The solution offered by Taylorism is based on dividing the roles between workers and management. Management is responsible for prescribing what workers do, how to do it, and the needed time. Management has to use scientific methods, time and motion study, instead of guess-work, to set work standards and piece-rates so that workers can be rewarded for their productivity. This is what Braverman calls the 'separation of conception from execution'<sup>(12)</sup>.

Breverman argues that, when management acquire the knowledge about work processes which means 'the absence of such knowledge among workers'<sup>(13)</sup>, this knowledge can be used to control workers. This analysis is criticised because it assumes that workers are passive, while they are an 'active and problematic presence'<sup>(14)</sup>. This analysis is also criticised because it does not recognise that there is no monopoly over knowledge. Even after

management acquire the knowledge of production, skilled workers continue to have their knowledge. What they lose is 'the advantage of management ignorance' <sup>(15)</sup>. Therefore, Taylorian type of control alone does not solve the problem of labour control, for it does not counter workers' resistance. As demonstrated in chapter 3, workers can regulate their output even with the use of all the means provided by Taylor and his followers.

According to Edwards, bureaucratic control developed because of the limits of Taylorian control, and the conflicts between workers and management caused by the assembly lines <sup>(16)</sup>. Bureaucratic control occurs through:

"the social and organisational structure of the firm and is built into job categories, work rules, promotion procedures, discipline, wage scales, definition of responsibilities and the like" <sup>(17)</sup>.

Storey, also pointed out that managers in 'bureaucratic modes (have) a range of control devices', which includes incentive systems, promotion, performance appraisal, and training <sup>(18)</sup>. Littler and Salaman stated that bureaucratic controls try to drive performance through a structure of rewards and sanctions made clear in rules and regulations <sup>(19)</sup>.

On the other hand, Friedman's 'responsible autonomy' strategy is based on:

"allowing individual workers or groups of workers a wide measure of discretion over the direction of their work tasks and the maintenance of managerial authority by getting workers to identify with the competitive aims of the enterprise so that they will act 'responsibly' with a minimum of supervision" <sup>(20)</sup>.

This strategy is suitable for skilled workers 'who already have elements of job control and discretion' <sup>(21)</sup>. Thompson also stated that:

"what Friedman calls responsible autonomy was more often accommodation in different ways to shopfloor job controls" (22).

Socialisation is another device which could be used to control workers, but not at the point of production<sup>(23)</sup>. It is defined as:

"the process by which a new member learns the value system, the norms, and the required behaviour patterns of the society, organisation or group which he is entering" (24).

The socialisation process can be carried out inside or outside the organisation. Salaman says that it is more the responsibility of each organisation to socialise its members, because this process is related to the particular culture of the organisation<sup>(25)</sup>. However, we should differentiate here between capitalist and socialist societies. Salaman's point of view is related to capitalist rather than socialist societies. For in the latter the process of socialisation or indoctrination is usually conducted on a national basis by central organisations under the control of the party. In Egypt, for example, in the early sixties after the massive nationalisation decisions, this process was carried out by Youth Organisation and the Institute for Workers Indoctrination which was supervised by the General Labour Union. Workers were taught things such as the purpose of the public sector in Egypt, and workers' rights and responsibilities in Arab socialism. However, by the 1980s this process of ideological indoctrination has ceased. Egyptian workers today are not subjected to any form of political education.

Regarding control devices available to public enterprise management in Egypt, there are some important points to be mentioned. First, the



effectiveness of technical control depends on the type of technology used in the enterprise. Therefore, in order to increase the effectiveness of this device management needs to be able to choose and/or develop the technology used in its enterprise. But in Egypt public enterprise management have limited authority in this regard. For, as noted in Chapter 1, investment decisions are controlled by central authorities. Moreover, these decisions depend on the availability of foreign exchange which is controlled by the Ministry of Finance. As there is no significant machine building sector in Egypt, the means of production are mostly imported. Therefore, at best, enterprise management's influence on choice of technology is indirect. Second, with respect to the use of participation in management as a means to enhance workers' effort, recent studies indicate that neither workers' participation in management nor profit sharing has been successful in Egypt as presently constituted by law<sup>(26)</sup>. Third, the socialisation process for Egyptian workers is supposed to be carried out both by central organisations, as noted before, and by each enterprise through its own training activities. However, a recent study conducted on the public manufacturing industry in Egypt revealed that training was not used effectively at enterprise level, and what limited training workers received was strictly technical in nature<sup>(27)</sup>.

The concept of 'socio-technical' system, introduced by Trist, was used by Rice to improve workers' performance at the Ahmedabad Calico Mills in India in the fifties. This notion is based on reorganisation of work to satisfy both task and social needs<sup>(28)</sup>. Given limitations of time and resources it was considered to be more profitable to focus in the present study on the structure of rewards and sanctions, rather than the concept of 'socio-technical' system. This is for two reasons. First, reorganisation



of work only, without an effective system of incentives, is not expected to achieve substantial improvement in workers' performance. Second, it seemed probable that rewards and sanctions could be important means of control over Egyptian workers, since per capita income in Egypt is low<sup>(29)</sup>.

Since the structure of rewards and sanctions is established by public sector labour law, there is little room for management discretion. While public enterprise management have to meet production targets determined by higher authorities, they have only a limited set of control devices available to them. This set is supposed to suit all enterprises irrespective of differences in activities and the nature of work.

Neither workers nor management have much scope for 'effort bargaining' to increase the efficiency of the enterprise and satisfy workers' needs. This study was conceived as an attempt to assess the way the production management of one very large public sector enterprise set about controlling the labour process using predetermined labour policies, techniques and sanctions. Specifically, we are concerned with exploring the effectiveness of the statutorily defined rewards and sanctions system available to managers as motivation and control devices in the public sector textile industry in Egypt. In particular we examine the payment system, promotion, performance appraisal and discipline.

In order to examine the effectiveness of these policies as means of labour motivation and control, we should also investigate workers' orientation to work and their perceptions of the policies. This is important because a control device is only effective in so far as it is subjectively perceived

as significant in its consequences to those over whom control is exercised.

Fox, for example, points out that:

"It thus seems reasonable to think in terms of high priority and low priority aspirations. The former are those which are actively entertained and pursued. They are experienced as pressing and they appear realistic and within hope of realisation. They may well be the aspirations which attract a man to a Particular job, which cause him to stay in it, and which constitute the predominant criteria by which he evaluates it. Low aspirations are less strongly held or seen unrealistic, or both" (30).

Therefore, the study includes subjective and objective aspects. The subjective aspects include workers' orientation to work as perceived by workers and management, and workers and management perceptions of the policies covered in the study. The objective aspects include wages and salary structure and turnover rates.

Figure 2/1 shows the schematic model underpinning the study. Our model includes three groups of variables: (1) independent variables, A and B, (2) intervening variables, C, D and E and (3) dependent variables, F, G and H.

The independent variables include:

Personal variables (A), which include: hometown, marital status, family responsibilities, education and length of service. These variables were selected because they are expected to affect workers orientation to work and their perceptions of management policies. Although some of these variables may correlate, like age and marital status, we preferred to include them all in order to give more depth to the analysis.

Societal variables (B), this group refers to the changes which occurred in the society at large but affect management policies on the one hand, and

workers orientation to work and their reactions to management policies on the other hand. Examples of these variables are: socialist laws, changes in the costs of living and changes in work opportunities.

Workers' orientation to work (C), this variable refers to the priority of the needs which Egyptian workers try to satisfy when they engage in work activities.

Management policies (D), this group includes human resources development policies which could be used as means of labour control at work. The policies covered in the present study are: payment system, promotion, performance appraisal and discipline.

Workers' perceptions of management policies (E), this is a subjective variable which is affected by workers orientation to work and affects their reactions to management policies.

The dependent variables include:

Workers' behaviour at the workplace (F),

Workers' propensity to have a second job (G),

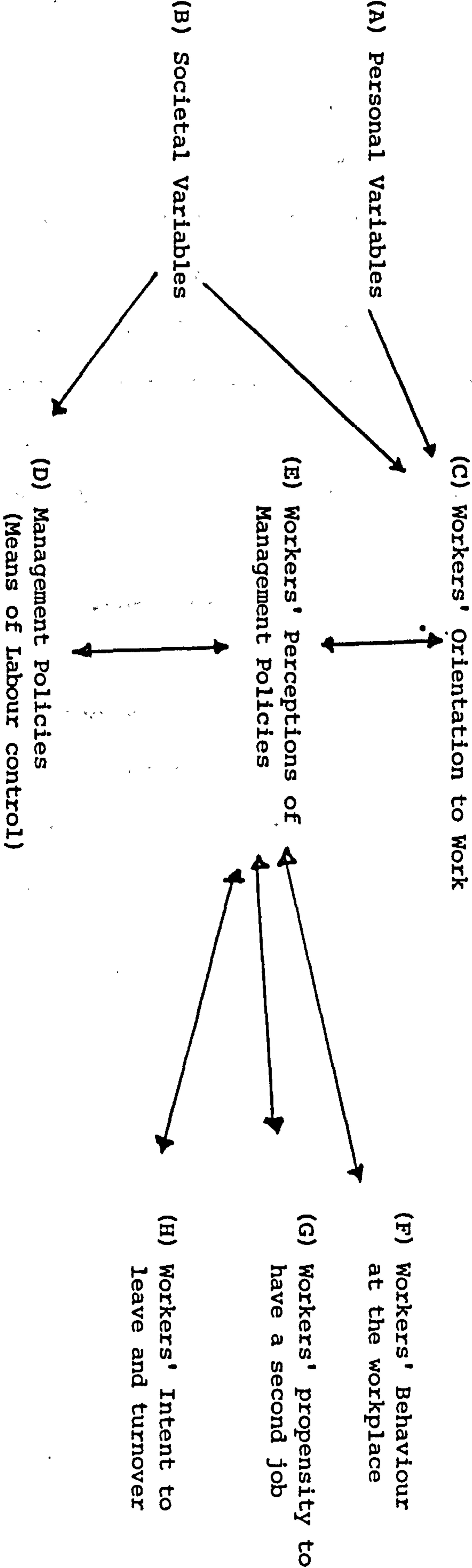
Workers' intent to leave and turnover (H).

These variables determine the effectiveness of management policies as control devices. For workers subjectively assess the benefits they obtain from public enterprise, their needs, and alternative sources to satisfy their needs. And on the basis of this assessment they manage their 'effort bargain' in the way which satisfies their needs best.



FIGURE 2/1

THE MODEL OF THE STUDY



Therefore, the purpose of the study is as follows:

First: To investigate workers' needs priority and present level of satisfaction, as perceived by workers and management.

Second: (1) To investigate workers' perceptions of management policies.

The policies covered in the study are: the payment system, promotion, performance appraisal, and discipline.

(2) To investigate workers' intent to leave, and their propensity to have a second job.

(3) To investigate management perceptions of the policies mentioned above.

Third: To analyse the differences between workers and management perceptions of:

(1) Workers' needs priority and present level of satisfaction.

(2) The human resources development policies mentioned above.

Fourth: To assess the effectiveness of existing human resources development policies as means of labour control in public enterprise. An agenda for reform?

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### C H A P T E R   T H R E E

#### HUMAN RESOURCES DEVELOPMENT POLICIES: THE HYPOTHESES OF THE STUDY

In this chapter we present a review of the literature on workers' orientation to work, and human resources development policies included in our model. The purpose of this review is to develop the hypotheses which will be examined in the present study. Therefore, the discussion in this chapter is divided into the following sections:

- Workers' orientation to work.
- Payment systems.
- Promotion.
- Performance appraisal.
- Discipline.

Each section will end up with some hypotheses. These hypotheses are examined in part II of the study.



## WORKERS' ORIENTATION TO WORK;

Certainly people engage in work activities in order to attain specific rewards. Taylor considered money the only reward which workers seek in their jobs. He saw a direct relationship between the amount of money a worker can get, and the amount of effort he is willing to exert.<sup>(1)</sup> Argyle, approaching the subject from a different standpoint, argues that money is of greater or less importance to people in different occupations. But it acquires special meaning whenever people get little else out of their jobs<sup>(2)</sup>. This notion was supported further by McClelland who stated that:

"People with relatively low achievement motivation, on the other hand, will work harder for increased financial rewards. It is not the task itself that interests them....."(3).

The results of some studies revealed that pay was more important to workers than other rewards. Goldthorpe and his associates found that car workers were almost exclusively concerned with the amount of pay their work brought in<sup>(4)</sup>. A study of process workers in automated chemical plants in four different locations in Great Britain indicated that workers gave priority to high pay<sup>(5)</sup>. Simonds and Orife found, on the basis of analysing workers' actual behaviour in real situations, that differences in pay were more important to workers than differences in job enrichment<sup>(6)</sup>.

Mayo, on the other hand, raised the point that workers strive for more than money. His famous experiments that were the basis for the human relations school, led him to believe that self-esteem, recognition, and participation in management are just as important as financial

rewards<sup>(7)</sup>. Mayo's findings were supported by a number of scholars.

McGregor, for example, said that management should deal with workers from theory Y's point of view in order to integrate the individual and the organisation<sup>(8)</sup>. It is <sup>in</sup> this sense that Brown stated that:

"it must be recognised that men work both in order to live and in order to feel useful, wanted, and to attain a social status" (9).

This conclusion was confirmed by the results of research carried out by Armstrong<sup>(10)</sup>.

There have also been some debates about the importance of extrinsic and intrinsic rewards to workers. In a study conducted by Centers and Bugental, it was concluded that the value of content and context factors was a function of occupational level, that is, content factors were most valued at higher levels and context factors at lower levels<sup>(11)</sup>. Locke and Whiting, with a nationwide sample in the United States, provided support for Centers and Bugental's results<sup>(12)</sup>. On the other hand, in an analysis of some data from productivity bargaining, Daniel pointed out that the priority of rewards to workers depends on the context. He has shown how improving the pay packet is demanded in a bargaining situation, while intrinsic satisfaction is stressed in the context of working under the new agreement<sup>(13)</sup>. Watson, also, stated that:

"What is becoming clear is that to understand work behaviour we must recognise the importance of dynamic orientations and that, instead of relating work attitudes and behaviour in a direct way to either fixed psychological needs or technological constraints, we must recognise that individuals see things differently and act accordingly in different situations and at different times" (14).

There have been a number of surveys conducted to determine the importance of job-related factors to workers. An early survey carried out by the Labor-Relations Institute of New York revealed that supervisors had little idea about their employees' needs in jobs<sup>(15)</sup>. Another study indicated that there was a gap between workers' self-ranking of fourteen job related factors and management and union Leaders' perceptions of the importance of the same factors to workers<sup>(16)</sup>. In a more recent study, it was concluded that supervisors assumed that workers place greater importance on pay and security than on personal growth and achievement<sup>(17)</sup>.

To assess the impact of culture on need importance and need satisfaction, a study was conducted in the United States, and Mexico. The study revealed that American workers' ranking of five needs was different from Mexican workers, and that:

"The average Mexican worker goes to work primarily to provide his family with material needs" (18).

Another study conducted in India indicated that pay was considered the most important factor to workers in their jobs<sup>(19)</sup>.

The findings reported above suggest the following conclusions. Workers engage in work activities not only to obtain material rewards, but also to satisfy a set of other needs. In other words, money is not the only outcome for workers in their jobs, nor is it necessarily the most significant. The importance a worker places on each job-related characteristic appears to be a function of other factors, such as occupation and level of satisfaction of other needs. Previous research also indicates that there is a gap between workers' and management perceptions

of the priority of the needs which workers try to satisfy in their work organisation.

On the basis of the previous results, the present study will examine the following hypotheses:

First: The importance which workers accord to pay is higher than the importance they place on other job-related characteristics.

Second: There are significant differences between workers' perceptions and management perceptions of the importance of six characteristics related to workers' jobs.

Third: There are significant differences between workers' perceptions and management perceptions of the level of six characteristics present in workers' jobs.

These hypotheses are examined in Chapter 5.

#### PAYMENT SYSTEMS:

Early in this century, Taylor provided the first citation of using payment systems as a managerial tool to transform labour power to labour<sup>(20)</sup>.

Previous studies indicate that the effectiveness of monetary incentives depends upon the degree to which workers value money, and the degree to which they believe that more effort and better performance will lead to higher earnings<sup>(21)</sup>. This notion was first introduced by Georgopoulos

and his associates who found in a research study that workers who perceived higher personal productivity as a means to increased earnings performed better than workers who did not perceive this relationship.<sup>(22)</sup>



Cherrington, Reitz and Scott concluded on the basis of an experimental study, that people were satisfied when they were appropriately rewarded, i.e. when the rewards were contingent upon performance<sup>(23)</sup>.

Adams, on the other hand, developed a reward theory which incorporates the social aspects of pay into a theoretical frame-work known as equity. This theory postulates that a worker evaluates his job inputs and outcomes compared to the inputs and outcomes of co-workers or a reference group. If a worker perceives a case of inequity, he will seek to reduce it by one or more of several methods, such as absenteeism.<sup>(24)</sup> Carrell obtained results from a longitudinal research which confirmed the existence of an equity norm among groups of workers in organisations<sup>(25)</sup>.

In order to tie pay to performance, various pay incentive schemes have been used. These schemes could be classified into three categories: individual, group and plant-wide schemes<sup>(26)</sup>. Each scheme has its advantages and disadvantages, and is suitable for certain circumstances. Group incentives, for example, are particularly suitable when it is difficult to distinguish one individual's contribution from another's or when co-operation among workers is important. There is also evidence that individual incentive schemes are better than group schemes in tying pay to performance<sup>(27)</sup>. Behrend stresses the notion that each firm has to develop a scheme which conforms to its specific circumstances. She points out that it is difficult to find one or other type of scheme which suits all firms<sup>(28)</sup>.

One of the essential elements of pay incentive schemes is the determination of standards of output. There are different methods for setting standards, such as time study, past performance and



negotiations between management and workers<sup>(29)</sup>. However, as indicated in the literature, this element has been a source of problems to management. Whyte, for example, pointed out that establishing standards is a human relations problem which may remain unresolved even with the use of all the techniques of work measurement<sup>(30)</sup>. It is in this sense that Behrend stated that:

"It is clear that questions of the 'rightness' of rates or standards are not questions of fact but of subjective judgement. Even if standards of effort were measurable (which they are not) there could never be any scientific criterion for judging the rightness of a particular standard of effort" (31).

At the same time, Donald Roy provided a detailed description of workers' behaviour to defeat the incentive scheme, when he took a job as a machine operator<sup>(32)</sup>.

Understanding the pay incentive scheme is another essential element. On the basis of evidence presented in four studies, Marriott concluded that employees and workers understanding of the schemes was not good which reduced the effectiveness of those schemes<sup>(33)</sup>. In a study conducted to test the characteristics of an effective incentive scheme, Cammann and Lawler confirmed the importance of understanding the scheme<sup>(34)</sup>.

McClelland raises another point regarding the incentive scheme, that is, the importance of the size of the reward which is a relative matter depending on the individual's earnings and what others get as a reward<sup>(35)</sup>.

On the other hand, the practice of tying pay to performance in organisations seems to be different from the theory. A survey conducted on the largest 500 firms in the United States revealed that pay was not tied effectively to performance at the non-supervisory level. This survey indicated that the percentage of the firms which used job performance to award wage increment to blue-collar workers was less than 6 per cent<sup>(36)</sup>. Kearney pointed out that in most organisations the relationship between pay and performance is weak. He gave four reasons for the difficulty of tying pay to performance. These reasons are: (1) performance measurement problem, (2) the ability of the organisation to pay for performance, (3) the influence of labour unions and (4) inflation and increases in costs of living<sup>(37)</sup>. After reviewing some studies on pay and performance, Lawler concluded that:

"Overall, therefore, the studies suggest that business organisations do not do a very good job of tying pay to performance" (38).

Edwards, also, said that the Polaroid Corporation have 'a sophisticated bureaucratic control' in which pay is tied to performance. However, he observed that:

"The formal system of evaluation does not perfectly mirror the actual system, of course, and personality clashes, favouritism and jealousies remain" (39).

The conclusions which emerge from the previous discussion are the following. Tying pay to performance is one of the factors which affect workers' effort in their jobs. Other factors include the importance of money to workers, and the constraints imposed upon them which may

affect their response such as group pressure. Organisations have to recognise the difficulties associated with pay incentive schemes, and try to develop suitable schemes in the light of particularities.

As a result of the previous discussion, and on the basis of our discussion in the first chapter regarding the socialist Laws in Egypt, the hypothesis which will be examined in the present study is:

The relationship between pay and performance is weak, which reduces the effectiveness of the payment system as a means of labour control in the company (40).

This hypothesis is examined in chapters 6 and 7.

#### PROMOTION:

Promotion is another reward which could be used as a managerial tool for motivating performance. Pigors and Myers define promotion as:

"the advancement of an employee to better job - better in terms of greater responsibilities, more prestige or 'status', greater skill, and especially, increased rate of pay or salary" (41).

The difference between pay and promotion, as rewards, is that promotion opportunities are limited, which means that promoting a worker is usually 'at the expense of another' (42).

Many writers have pointed out that it is important for each organisation to have a promotion policy which specifies the procedures and the bases of considering candidates for promotion. As noted before, in a bureaucratic mode rewards and sanctions are manifested in rules and



procedures. Mansfield said that in these systems, the formal or 'informal' rules governing promotion may become widely known to workers<sup>(43)</sup>.

Wallrapp, talking about promotion from within the organisation, gives an example of a job posting system which is based on informing workers of: (1) job vacancies, (2) the requirements of the vacant jobs, (3) the procedures of application and selection and (4) communicating the reasons of non-selection to workers. He also remarks that job posting could be an effective approach if it is well developed<sup>(44)</sup>.

Another important aspect in promotion policy is the basis of selecting candidates for promotion. The argument is always about using:

(1) seniority, or (2) ability or (3) a combination of the two factors.

Unions usually prefer the first factor, for it is objective which conquers the problem of the fairness of supervisors' judgement of workers' ability. The other point of view is that using ability is desirable because it motivates performance<sup>(45)</sup>. The latter opinion is also criticised, because a worker's good performance on his present job does not necessarily mean that he will do well on the higher job<sup>(46)</sup>.

Mansfield points out that in an ideal bureaucratic system promotion could be based on ability to ensure uniformity in abilities, or on the bases of ability and seniority to ensure uniformity in abilities and also to keep age in grade structure 'relatively constant'<sup>(47)</sup>.

An investigation conducted by the Acton Society Trust in five plants indicated that 50 per cent of skilled workers and 41 per cent of semi-skilled and unskilled workers were very interested in being promoted. However, only 20 per cent of the former group and 9 per cent of the latter had applied for promotion<sup>(48)</sup>. At the same time, Goldthorpe and his

associates found that their workers were not concerned about promotion. Only 8 percent liked the idea of being promoted, but had done nothing to increase their chances of promotion<sup>(49)</sup>. After reviewing some studies on job career, Lawler concluded that 'managers are more upwardly career oriented than workers.'<sup>(50)</sup>.

To sum up, some workers may be interested in promotion, for it may lead to some monetary and non-monetary rewards. Others may not be interested in being promoted because they find it difficult to attain or for other reasons. Promotion opportunities are limited, and selecting a worker to be promoted may have an impact on other workers. Because of that, organisations need to have a promotion policy, communicate it to workers, inform them of vacancies and give them a chance to apply if they are interested. This may yield positive perceptions of promotion decisions in organisations.

As a result of the previous discussion, the following hypotheses will be examined in the present study:

First: Promotion has an incentive effect on workers.

Second: There are significant differences between workers' and management perceptions of the most important factor in identifying workers for promotion.

Third: There are no significant differences among workers with regard to their interest in being promoted.

Fourth: There are no significant differences among workers with regard to their perceptions of their chances of being promoted.



These hypotheses are examined in chapter 8.

#### PERFORMANCE APPRAISAL:

The appraisal process, as the literature attests, can fulfil several functions. First, it is central to wage and salary, promotion, and dismissal decisions. In these cases, the purpose of performance appraisal is 'judgemental',<sup>(51)</sup>. Employees' and workers' coaching programmes also depend on performance appraisal, and appraisal for this purpose is called 'developmental',<sup>(52)</sup>. A growing body of the literature on performance appraisal indicates that organisations need different appraisal systems, because one system cannot fulfil all purposes<sup>(53)</sup>. Cummings and Schwab, for example propose an approach based on three programmes for different purposes; 'developmental action program, maintenance action program and remedial action program',<sup>(54)</sup>.

Prior to the implementation of an appraisal programme, management need to determine what to be appraised. The argument is usually about using person-oriented traits, behaviour, or results<sup>(55)</sup>. The common difficulty of person-oriented traits is that they are unclear and subjective, which results in some errors such as leniency error, halo effect and central tendency<sup>(56)</sup>. A longitudinal study conducted in an international petroleum company indicated that employees perceived the results oriented appraisal more positively than the person-traits approach<sup>(57)</sup>.

Regarding who should perform the appraisal, it is supervisors' responsibility because they know their subordinates' strengths and weaknesses more than higher levels of management<sup>(58)</sup>. On the other hand, there are opinions,

some of which refer to empirical data, which suggest that it is better to involve subordinates in the appraisal process. McGregor put forward an approach for performance appraisal which places the major responsibility on subordinates to set their own objectives<sup>(59)</sup>. Meyer, Kay and French, on the basis of a study conducted in General Motors, pointed out that discussions between supervisors and subordinates to establish goals which were objectively defined improved performance and changed subordinates' attitudes in a favourable direction<sup>(60)</sup>. Cummings found, on the basis of an experimental study, that workers' reactions to an appraisal system which involved them in the process were more positive than their reactions to another system in which appraisal was performed by supervisors only<sup>(61)</sup>.

Regarding the practice of appraisal, the results of a study carried out by Marriott on three British factories indicated that, rewards were dependent not only on the quantity of work, but also on subjective factors<sup>(62)</sup>. A survey carried out in 216 organisations in the United States revealed that 23 percent of the included organisations did not have a formal appraisal programme<sup>(63)</sup>. Yager said that he rarely found managers satisfied with the results of performance appraisal systems in their organisations<sup>(64)</sup>. Oberg argues that one of the reasons for obtaining unsatisfactory results of appraisal is that companies do not pay much attention to selecting the suitable techniques for particular objective<sup>(65)</sup>. Drucker also suggests that unless performance appraisal depends on objective factors, the whole process would be abused<sup>(66)</sup>.

Finally, Levinson points out that it is important to give feedback to workers about the results of their appraisal, and that delay in feedback may reduce the effectiveness of the process<sup>(67)</sup>. In a study

conducted on 25 organisations in the United Kingdom, the research group concluded that:

"the impression obtained is that open appraisal may lead to a lowering of standards of assessment, but does not always do so" (68).

In summary, in order for the appraisal system to be effective, management have to develop the programme which suits their purposes. Using objective factors is better than subjective vague traits. Involving workers in the appraisal process is another aspect which may improve the effectiveness of the programme.

Therefore, to study the effectiveness of performance appraisal as a control device, the following hypotheses are examined in the present study:

First: Workers understand how the appraisal system works in the company.  
 Second: Workers consider the appraisal system in the company to be fair.  
 Third: Management consider the appraisal system in the company an effective control device.

These hypotheses are examined in chapter 9.

#### DISCIPLINE:

Discipline is another control device used by management to derive performance. The importance of discipline has been stated by many authors. Bramblett pointed out that:



"Discipline in the broad sense means orderliness - the opposite of confusion. It is a fundamental requirement for the people working in a plant just as it is for other segments of society" (69).

Williams stated that:

"In its broadest sense discipline in organisations may be defined as a state of orderliness or control in terms of the standards by which acceptable behaviour and performance are measured" (70).

Booker said that:

"Disciplinary actions are the steps taken by management in an effect to modify the behaviour of employees who have behaved in a manner contrary to company policies or rules"(71).

The previous statements indicate that discipline is based on the recognition of a need for control in organisations. Discipline could be used in a negative or in a positive way<sup>(72)</sup>. In a negative case, discipline is used in a punitive rather than corrective manner. Its purpose is to enforce the rules set up by management. But in the positive case, the purpose of disciplinary actions is behaviour change, it looks at misconduct in terms of the future to prevent recurrence by the offender or by others. Williams pointed out that, in order for disciplinary actions to be effective, management should concentrate on solving the causes of the problems rather than the symptoms<sup>(73)</sup>.

Boncarosky also stated that a worker's poor performance or bad behaviour could be due to the worker or to his supervisor or to the organisation<sup>(74)</sup>.



On the basis of two experimental studies, Maier concluded that one of the problems of discipline is that supervisors do not like to be involved in disciplinary actions<sup>(75)</sup>. Oberle suggested that the reason could be that supervisors do not like to lose friendship with workers, or with supervisors who do not use discipline effectively<sup>(76)</sup>. At the same time, Rosen and Jerdee suggested that disciplinary judgements are affected by supervisors' attitudes and feelings, and the value of the offender to the organisation in terms of his ability, past performance and status<sup>(77)</sup>. To face that problem, McGregor has formulated an approach to discipline which can help to lessen resentment towards supervisors. The approach is called "the red-hot-stove rule". This approach suggests four elements for disciplinary action: (1) the consequence should be immediate, (2) the individual should be warned, (3) consistency in the penalties, and (4) the penalties should be given in a non-discriminatory manner. Applying these elements is expected to increase workers' acceptance of accountability for the consequences of offences<sup>(78)</sup>.

Huberman, also, has developed a progressive approach for discipline which involves increasingly severe penalties each time a worker commits an offence. This approach consists of five steps: (1) when misconduct occurs a casual reminder is given to the worker on the job, (2) if misconduct reoccurs, step one is repeated, (3) in the third step the shift foreman is involved, more effort is made to determine the reasons for the incident, and a letter is sent to the worker's home, (4) if another incident occurs, a final discussion is made, the worker is asked to take the rest of the shift off with pay, and warned that another incident will result in termination, and (5) discharge<sup>(79)</sup>.

Steinmetz suggests another penalty as substitute for discharge. He uses the term 'dehiring' to mean encouraging the worker to resign. He argues that dehiring is less damaging to the offender's career, and causes less problems to the organisation<sup>(80)</sup>.

Finally, there should be formal regulations for disputes over disciplinary actions. These regulations should be known to workers, and any changes should be communicated to them<sup>(81)</sup>.

To sum up, there should be an organisational policy for discipline. This policy should be communicated to workers, and should be consistently enforced, so that workers do not feel that incidents are sometimes tolerated. Supervisors should be trained in how to conduct disciplinary actions. This is important because these actions affect both workers and organisations in case of conflict.

On the basis of the previous discussion, the following hypotheses will be examined in the present study:

First: Discipline is used in the company in a punitive rather than corrective manner.

Second: Workers believe that sanctions are significant.

Third: Management view discipline as an effective means of control over workers.

These hypotheses are examined in chapter 10.



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## C H A P T E R   F O U R

### STUDY SETTING: THE TEXTILE INDUSTRY IN EGYPT AND THE CASE STUDY

The real start of the textile industry in Egypt has been reported severally as being in 1927. In that year Tal' at Harb started setting up the Misr Spinning and Weaving Company in Mehalla El-Kobra. The Second World War gave an impetus to the textile industry in Egypt. Older-established mills were expanded and a number of new ones were built. In 1961, all large private textile factories were nationalised, and 28 public textile companies were established<sup>(1)</sup>.

In 1979, public enterprise accounted for just over 35 percent of GDP and 60 percent of total employment in Egyptian manufacturing industry<sup>(2)</sup>.

In 1979 the public textile industry employed 50 percent and accounted for 38 percent of gross value added in public manufacturing industry<sup>(3)</sup>.

Textile companies employed 300,000 people in 1979, 45 percent of this number were employed by 6 companies. The wage bill in those 6 companies represented 47 percent of total wages in the public textile industry<sup>(4)</sup>.

Wage costs represented 30 percent of total costs of production in the textile industry in 1978. During the period 1972-1978 employment increased 15 percent and output increased 20 to 21 percent. During the same period labour productivity increased about 1 percent annually<sup>(5)</sup>. However, labour productivity in the textile industry in Egypt represents 25 percent of Labour productivity in the UK and 14 percent of labour productivity in the US. Hourly earnings of workers in the textile industry in Egypt is 6.2 percent of hourly earnings of workers in the textile



industry in the US, slightly higher than Pakistan which is the lowest;

5.7 percent compared to the US. At the same time, labour cost per unit of production is the lowest in Egypt compared to Europe, the US, Japan and Pakistan<sup>(6)</sup>. Hansen and Radwan point out that in the textile industry in Egypt:

"machine productivity is much closer to European standards than labour productivity. This indicates that the problem is less on the technical management side than on the personnel side" (7).

Setting output targets for public textile companies ususally starts in each company. Every company prepares its plans in the light of the expected capacity and the policy of the government regarding foreign currency, prices of inputs and outputs, and priorities of different types of products. The plans of all textile companies are discussed by the Higher Sectoral Council chaired by the minister of industry. At the end of each financial year, every company prepares a report about the results of its activities during the year. This report is discussed by the general assembly of the company, chaired by the minister of industry or his deputy<sup>(8)</sup>.

The company that forms the basis of this study was founded in November 1940. In 1945 it took the name 'Industrial Establishment for Rayon and Cotton (ESCO)'. The purpose of ESCO was decided to be spinning, weaving, and dyeing and finishing cotton, and spinning rayon. Wool spinning, weaving, and finishing were added later to the activities of the company. The company started with four factories. After ESCO was nationalised in 1961, other companies were merged with it. At the present time, the company operates 10 factories. Only one factory

is located at Kalyub, about 20 kilometres north of Cairo, and the other 9 factories are located in Bah~~ti~~em and Shubra El-Kheima in the governorate of Kalyubia, but they are considered parts of greater Cairo.

This company has been selected for our survey for three reasons. Firstly, it is the second largest textile company in Egypt, employing over twenty thousand people. Secondly, it is the only textile company in Egypt which has factories for cotton and wool spinning, weaving and dyeing and finishing, and rayon spinning as well. Hence, we had the opportunity to represent workers from different activities in the textile industry. Finally, the company was started in 1940 which made it possible to represent workers of different ages and different years of service with the company.

The products of the company include finished cotton and wool cloth, and rayon yarn. Most of the production is sold in the local market. The company exports, mostly in the form of cotton yarn and cloth, accounted for 15.5 per cent of the total sales in 1981-82.<sup>(9)</sup> All the production of the company, except finished wool cloth, is sold at controlled prices which is less than the costs of production. But, wool sales represents a low percentage of total sales; in 1981-82 they accounted for 7.5 per cent of total sales. The results of production activities were losses in the last three years, reaching £E8.2 millions in 1981-82. The company also received £E12.9 millions as subsidy in the financial year 1981-82<sup>(10)</sup>. The company's problems are similar to those from which most textile companies in Egypt suffer. Among these problems is the shortage of shop-floor workers<sup>(11)</sup>.

The main types of jobs in production area in ESCO:

Here a brief discussion of the main types of jobs is in order. Both cotton and wool spinning and weaving are similar with regard to the stages of production. While a process of dyeing and finishing is needed for cotton cloth production, in wool cloth production there is only a process of finishing. On the other hand, the stages of rayon spinning are different from cotton and wool spinning. Table 4/1 summarises, for example, the stages of cotton and rayon spinning.

TABLE 4/1

Production Stages in Cotton and Rayon Spinning Factories

Cotton spinning	Rayon spinning
Blending Opening and cleaning Carding Combing Drawing Roving Spinning Winding Doubling Twisting Singeing	a. Preparation: This includes the processes of preparing the materials needed for spinning. These materials are: CS2 and Viscose.  b. Spinning.  c. Acid bath station.  a. Winding.

Three main tasks are required in each stage in all processes of production in the company. These tasks are: delivery of materials, operating machines, and maintenance. Tasks of delivery of an intermediate material from one stage to another are necessary because production in the textile industry is not a continuous process. The tasks related to operating machines are separated into different jobs. In cotton



and wool spinning, for example, a machine operator is responsible for feeding and operating machines. Tasks related to removal of output are conducted by a helper. In cotton and wool weaving, on the other hand, a machine operator with a helper are responsible for feeding machines with shuttle' cones and operating. Feeding machines with drawn cones and removal of output are separated from other operative tasks and constitute a different operative job. With regard to maintenance workers, they are divided into two groups. The first is on day shift and they are responsible for major repairs. The second group includes maintenance workers assigned to each of three shifts. They are responsible for oiling and minor repairs. But, because of the shortage of labour in the company, the latter group work 12 hours per day, in some sections, as they are divided into two shifts only.

The supervisory staff in the production area is divided into two groups. The first group supervises maintenance workers, and the second group supervises operatives, helpers and delivery workers. Each group includes: foremen, supervisors, section managers, sections managers, and department managers. At the top of the hierarchy of each plant there is a plant manager.

All types of workers' jobs and all levels of management were represented in the sample of the study. We use the term machine operators to refer to workers who are responsible for machines and who are paid on the basis of a piece-rate system. The term auxiliary workers refers to machine operators' helpers and workers who are responsible for delivery of materials. We consider these two types one group because they are





not responsible for machines and their wages are not affected by the amount of production. The third group is maintenance workers, which includes workers on day shift and on normal shift.

We considered them one group because the nature of their work is similar to some extent, and they tend to have skills different from the skills of the previous groups.

Management, on the other hand, is divided, in the analysis of our data, into two groups. The first group includes foremen and supervisors, and the second includes higher levels of management. We preferred to use this grouping, because foremen and supervisors are closer to workers and production. Hence, they are expected to have different opinions about workers and production problems. At the same time, this enables us to compare their answers with the answers of higher levels who are not in direct contact with workers.

Finally, during the interview survey we noticed three points which need to be mentioned here. First, the tools used for delivering materials from one stage to the next were poor, if any. Second, the floor in most plants was uneven for the pavement was cracked which is dangerous, especially because we noticed that workers usually carried materials on their shoulders. Third, in the rayon plant and in the colour kitchen, in the cotton dyeing and finishing plant, where workers use chemical materials all the time, they were not provided with any sort of safety clothing in spite of the presence of toxic chemicals.

Henceforth our case study will be referred to as ESCO or the company.

### Data Collection:

The data was obtained through an interview survey carried out in the company which is the basis of the present study. The survey involved a sample of 351 male personnel employed in the production area. All processes of production in the company were represented in the sample<sup>(12)</sup>.

The survey piloting was planned to include consideration of optimum and feasible stratification factors for selecting two samples of workers and management. A likely plan was that a sample would be selected stratified according to occupation and length of service. As a matter of fact, no data was available in the records of the company about the breakdown of workers and management in each plant, by the two factors mentioned above or by any other factor. As a result, the only alternative was to depend on the help of sections managers, section managers and supervisors to select a representative sample.

Two questionnaires were used; one for workers and the second for management<sup>(13)</sup>. During the pilot study we found that there was no organised training activity in the company. Training was very limited and was done haphazardly without any planning. Therefore, it was decided to exclude the questions on training from our survey.

The survey was conducted in 1983. Permission was sought from the Central Agency for Public Mobilisation and Statistics to carry out the survey<sup>(14)</sup>.

### Characteristics of the Respondents:

Beynon and Blackburn said that 'perhaps the most generally relevant social characteristic is age, since it is related to so many aspects

of a person's experience' <sup>(15)</sup>. Table 4/2 shows the age distribution of our sample:

TABLE 4/2

The Age Distribution of the Respondents

Age	-30		31-40		41-50		51+		Total		Mean Age
Occupation	N	%	N	%	N	%	N	%	N	%	
Auxiliary workers	9	26.5	10	29.3	11	32.4	4	11.8	34	100	38
Machine operators	25	21.4	51	43.6	26	22.2	15	12.8	117	100	37.9
Maintenance workers	19	38.0	15	30.8	13	26.0	3	6.0	50	100	35.9
Foremen and supervisors	2	2.4	18	20.9	45	52.3	21	24.4	86	100	45.4
Higher levels	0	0	17	26.6	24	37.5	23	35.9	64	100	46.9
Total	55	15.7	111	31.6	119	33.9	66	18.8	351	100	41.1

As can be seen from the table, 44 percent of auxiliary workers in our sample are aged over 40. This is because machine operators who become disabled as a result of ageing are usually transferred to auxiliary work which needs less effort. This is also reflected in the percentage of machine operators in each age group. For example, 44 percent of machine operators are aged between 31 and 40, but 22 percent are aged between 41 and 50. This could be also because some older machine operators were promoted to maintenance work or to foremen.

The table also shows that higher percentages of foremen and supervisors, and the higher levels of management are at an advanced age. This is



because, 48 percent of foremen and supervisors had 1 to 2 jobs before, and 45 percent had 3 to 4 jobs before being promoted to their present jobs. Also, 59 percent of the higher levels of management had between 1 and 3 jobs, and 40 percent had between 4 and 6 jobs in the company. In our sample of management, 10 percent started in managerial jobs, 14 percent started in technical jobs, and 76 percent started in production jobs, ie, auxiliary workers, machine operators and maintenance workers.

Maintenance workers are more educated than both machine operators and auxiliary workers. In our sample, 56 percent of maintenance workers have a leaving certificate. But 32 percent of auxiliary workers, and 29 percent of machine operators are educated. With respect to the supervisory staff, 44 percent of the foremen and supervisors, and 73 percent of the higher levels of management are educated<sup>(16)</sup>.

The following table shows our respondents' years of employment experience in the company:

TABLE 4/3

Respondents' Years of Employment Experience  
in the Company

Years	-10		11-20		21-30		31+		Total		Mean Tenure
Occupation	N	%	N	%	N	%	N	%	N	%	
Auxiliary workers	10	29.4	8	23.5	15	44.2	1	2.9	34	100	17.2
Machine operators	32	27.4	32	27.4	44	37.6	9	7.6	117	100	17.4
Maintenance workers	21	42.0	9	18.0	18	36.0	2	4.0	50	100	15.8
Foremen and supervisors	4	4.7	12	14.0	48	55.7	22	25.6	86	100	25.4
Higher levels of management	8	12.5	15	23.4	27	42.2	14	21.9	64	100	22.6
Total	75	21.4	76	21.7	152	43.3	48	13.7	351	100	20.1



As can be seen from the table, 42 per cent of maintenance workers in our sample have 10 or less years of service with the company. The company suffers from shortage of labour, especially among technicians. Because of that, ESCO depends on secondary technical graduates who have completed their formal education recently to fill the vacancies in maintenance jobs. In our sample, 44 per cent of maintenance workers are secondary technical graduates. Regarding previous experience, 23 per cent of auxiliary workers, 32 per cent of machine operators, and 28 per cent of maintenance workers worked for other organizations. Also, 37 per cent of foremen and supervisors and 58 per cent of the higher levels of management worked for other organisations. Among our respondents, 21 per cent of all our workers and 35 per cent of management worked for other textile companies.

With respect to marital status, 87 per cent of the workers and 99 per cent of management are married. The majority of married people have children, 93 per cent of workers and 99 per cent of management. The mean number of children is 4 for auxiliary workers, 3.8 for machine operators, 3.5 for maintenance workers, about 5 for foremen and supervisors, and 3.5 for the higher levels of management<sup>(17)</sup>.

Our informants come either from Cairo or from outside Cairo. The percentages of those who come from outside Cairo are : 41 per cent of the workers, 48 per cent of foremen and supervisors, and 56 per cent of the higher levels of management. The following table shows the distance between work and hometown for non-Cairo respondents:

TABLE 4/4

The Distance between Work and Hometown for Non-Cairo Born Respondents

Distance (miles)	-50		51-100		101-200		201+		Total	
Occupation	N	%	N	%	N	%	N	%	N	%
Auxiliary workers	5	35.7	7	50.0	2	14.3	0	0	14	100
Machine operators	17	37.8	17	37.8	8	17.7	3	6.7	45	100
Maintenance workers	11	55.0	4	20.0	3	15.0	2	10.0	20	100
Foremen and supervisors	17	34.7	23	46.9	6	12.2	3	6.2	49	100
Higher levels of management	14	41.2	11	32.4	5	14.7	4	11.8	34	100
Total	64	39.5	62	38.3	24	14.8	12	7.4	162	100

As can be seen from the table most workers and management who come from outside Cairo do not work very far from their hometown as the distance for most of them is not more than one hundred miles.

Over three quarters of both workers and management who come from outside Cairo visit their hometown at least once per year. But if we take into consideration that there are two feasts per year for Muslims, at which most people visit their hometown<sup>(18)</sup>, we would find it better to look at the percentages who visit their hometown three times or more per year. About 43 percent of non-Cairo born auxiliary workers, 70 percent of non-Cairo born machine operators, and 60 percent of non-Cairo born maintenance workers visit their hometown three times or more per year. Also, 53 percent of foremen and supervisors, and 59 percent of the higher levels of management who were brought up outside Cairo visit their hometown three times or more per year. This suggests that workers, foremen, supervisors and managers who migrated to Cairo have not been completely urbanised. They still go back to their hometown

to visit parents, 68 percent of the workers and 77 percent of management, or to visit relatives such as brothers and sisters, 32 percent of workers and 23 percent of management.

With regard to place of residence, 28 percent of the workers and 37 percent of management have their own houses. At the same time, 19 percent of the workers and 6 out of 150 supervisory staff live with their parents. Those who rent their accommodation from a private owner represent 43 percent of the workers and 50 percent of management<sup>(19)</sup>.

As rent represents a part of financial responsibilities, people who live in their own houses or with parents might be expected to have lower financial responsibilities. This has its effect on workers' behaviour, as will be discussed in chapters 11 and 12.



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P A R T   I I

HUMAN RESOURCES DEVELOPMENT POLICIES AS MEANS  
OF LABOUR CONTROL AT WORK: THE EGYPTIAN PUBLIC  
ENTERPRISE CASE

In this part we present our empirical data. It includes eight chapters, from 5 to 12. Chapter 5 is devoted to examining our workers' orientation to work. In chapters 6 to 10 we examine the effectiveness of management policies, included in the model of the study, as means of labour control at work. Chapter 11 considers the impact of management policies on workers' intent to leave, turnover, and having a second job in the private sector. In chapter 12 an attempt is made to sketch out the workers' 'typical' response to labour control mechanisms in the company.

## C H A P T E R   F I V E

### WORKERS' ORIENTATION TO WORK

In this chapter an attempt will be made to demonstrate the relative importance of six characteristics in workers' jobs, and workers' and management perceptions of the present level of these characteristics in workers' jobs. The six characteristics are: (1) earnings from the job, (2) respect and fair treatment, (3) friendly and helpful fellow workers, (4) secure future, (5) fringe benefits and (6) chances of promotion. We selected these characteristics for two reasons:

(1) as per capita income in Egypt is low, as noted in chapter 2, it seemed probable that Egyptian workers would be more concerned about physiological and social needs, and (2) most workers in the textile industry, as noted in chapter 4, are either semi-skilled or unskilled. Therefore, it seemed unlikely that their jobs would include elements related to higher level needs, such as self actualisation. In order to explore our workers' orientation to work, we shall also examine their perceptions of the job itself. At the same time, workers' perceptions will be compared with management perceptions of the importance of the six characteristics, and the present level in workers' jobs. The purpose is to examine to what extent the two groups agree with one another.

Three hypotheses are examined in this chapter. These hypotheses are:

First: The importance which the workers accord to pay is higher than the importance they place on other job-related characteristics.

Second: There are significant differences between workers' perceptions and management perceptions of the importance of six characteristics



related to workers' jobs.

Third: There are significant differences between workers' perceptions and management perceptions of the present level of six characteristics in workers' jobs.

### The Importance of Six Characteristics in Workers' Jobs

To explain the factors which chiefly determine the company choice and attachment, workers were first asked why they selected ESCO to work for. Overall, 78 percent of the workers selected the company either because friends or relatives work for it, or for its location. The first reason accounts for 54 percent (Table 5/1).

Table 5/1 also shows that 15 percent of our workers were sent to the company by employment offices. However, it should be noted that employment offices usually distribute workers according to their hometown. In other words, these offices send people to the nearest enterprise to their place of residence. Therefore, those workers work for ESCO also because it is near their hometown, ie, because of its location.

It is interesting to note that 4 out of 28 (14 percent) workers with primary education, and 2 out of 23 (9 percent) workers with preparatory education work for the company because it employs workers before obligatory military service<sup>(1)</sup>. Those workers may not return to ESCO after their military service, if they find better jobs. However, the company follows this policy, ie, employment of workers before obligatory military service, because it suffers from a shortage of labour.

As the location of the company comes as the second reason for selecting it, workers' responses were analysed by hometown as the following table shows:

TABLE 5/1

Why Workers decided to Work for the Company by Hometown

Hometown	Village		Town		Cairo		Total	
Reasons	N	%	N	%	N	%	N	%
Friends or relatives work for the company	58	77.3	5	62.5	45	38.5	108	54
Location	4	5.4	-	-	44	37.6	48	24
Employs workers before obligatory military service	1	1.3	-	-	7	6.0	8	4
Employment offices	12	16	3	37.5	15	12.8	30	15
The company provide transportation means	-	-	-	-	6	5.1	6	3
Total	75	100	8	100	117	100	200	100

Note  $\chi^2 = 44.91$ 

P &lt; .01

The table shows that over three quarters of workers who come from villages work for ESCO because friends or relatives work for it. Regarding workers who were brought up in Cairo, the location of the company, and friends or relatives work for it are of nearly the same importance.

The second question asked to both workers and management was to rank the three most important characteristics to workers of the six mentioned previously<sup>(2)</sup>. The rank order of the frequency with which the six characteristics were selected is presented in the following table:



TABLE 5/2

Rank Order of the Importance of Six Characteristics Related to Workers' Jobs

Importance	As perceived by workers			As perceived by management		
Characteristics	Rank	Cases	%	Rank	Cases	%
Earnings from the job	1	190	94.5	1	149	99.3
Respect and fair treatment	2	136	67.7	2	81	54.0
Friendly and helpful fellow workers	3	91	45.3	6	47	31.3
Secure future	4	70	34.8	5	51	34.0
Fringe benefits	5	65	32.3	4	56	37.3
Chances of promotion	6	51	25.4	3	66	44.0
N		201			150	

Note. This table was produced by SPSS MULT RESPONSE option which does not provide a significance index.

As can be seen from table 5/2, 'earnings from the job' is selected as the most important characteristic by the majority of workers and management.

At the same time, the two groups place 'respect and fair treatment' second.

The responses demonstrate quite clearly that workers accord the greatest importance to pay, since the difference between the frequency of pay and the frequency of the second characteristic is wide. The table also indicates that management clearly recognises the importance of pay to workers.

Regarding the third characteristic, the disparity between workers and management is wide. While workers rank 'friendly and helpful fellow

workers' third, management rank it sixth. Instead, management assume that 'chances of promotion' is the third important characteristic to workers. First, workers ranking 'chances of promotion' sixth could be because chances of promotion in the company are poor, or because promotion does not affect workers' earnings<sup>(3)</sup>, which is the most important characteristic to them. Second, management rating 'helpful fellow workers' sixth may mean that they do not have complete understanding of their workers' needs. It may also mean that management do not see that co-operation among workers is important. However, it is difficult to argue against the importance of co-operation among workers in the textile industry. For instance, operative tasks in spinning need a number of supporting tasks, such as machine cleaning, oiling and repairing. Therefore co-operation among different groups is important.

At the same time, 'secure future' is ranked fourth by workers, as more important than fringe benefits and chances of promotion. By Law, even the chairman of the company cannot dismiss a worker, for dismissals among workers go through long procedures<sup>(4)</sup>. Therefore, the importance given to security could be because it has a material meaning to workers rather than a guaranteed job. In other words, security means to workers guaranteeing enough money for themselves and their families.

Workers' perceptions of the most important job-related characteristics could be affected by level of education, for this variable may affect workers' aspirations. Workers' age may also affect their priority of needs, for people may emphasise the importance of different needs at different ages. Workers' perceptions of the importance of their needs may also be affected by marital status, as it affects family responsibilities<sup>(5)</sup>.

People who come from villages may also have a different priority of needs from those who were brought up in towns or in Cairo.

In order to test for the effects of these variables on workers' perceptions of the most important job-related characteristics, we used the analysis of variance. The independent variables entered in the equation are: education, marital status, hometown, and age as covariate. The ANOVA reveals that the equation is significant at the 1 per cent level, and it explains 14.2 per cent of the total variance. Education is the only variable which has a significant effect on workers' perceptions of the most important job-related characteristic<sup>(6)</sup>.

In order to explore the effect of education, we cross-tabulated the six job-related characteristics by education. As can be seen from table 5/3, the percentage of workers who selected 'earnings' as the most important characteristic has an inverse relationship with level of education. The table also shows that the percentage of workers who selected 'fair treatment' as the most important characteristic increases with level of education, though the numbers are smaller. This could be because as noted before, more educated workers have different aspirations, and think in a different way from less educated workers.



TABLE 5/3

Percentages who Selected each Job-Related characteristic as most important  
by Workers' Education

Education	Illiterate		Primary		Preparatory		Secondary		Total	
Characteristics	N	%	N	%	N	%	N	%	N	%
Earnings	100	78.1	14	50.0	11	47.8	8	36.4	133	66.1
Friendly and helpful fellow workers	7	5.5	2	7.1	3	13.1	3	13.6	15	7.5
Chances of promotion	3	2.3	1	3.6	1	4.3	2	9.1	7	3.5
Secure future	3	2.3	5	17.9	1	4.3	2	9.1	11	5.5
Fring benefits	2	1.6	0	0	1	4.3	0	0	3	1.5
Respect and fair treatment	13	10.2	6	21.4	6	26.2	7	31.8	32	15.9
Total	128	100	28	100	23	100	22	100	201	100

Note  $\chi^2 = 34.192$

$P < .01$

The importance of earnings to workers is supported further by our informants' responses to another question. Workers and management were asked whether they agree or disagree that workers work only for money. The responses indicate that most workers and management agreed, 95 percent of workers, 91 percent of foremen and supervisors, and 89 percent of the higher levels. We used the analysis of variance to examine the effects of some variables on workers' responses. The independent variables are; education, hometown, marital status and age as covariate. The equation is significant at the 10 percent level, and it explains 6.8 percent of the total variance. Hometown is the only variable which has a significant

effect<sup>(7)</sup>. The responses reveal that all workers who were brought up outside Cairo agree that they work only for money, while 91 percent of workers who were brought up in Cairo agree<sup>(8)</sup>. As can be seen, the difference between the two percentages is not wide. However, it could be because a higher percentage of workers who were brought up in Cairo either own houses or live with their parents, as demonstrated in Chapter 11. Therefore, they do not pay rent which represents a part of family responsibilities. This in turn may affect workers' priority of needs<sup>(9)</sup>.

The results obtained so far indicate that earnings from the job is by far the most important characteristics to our workers. This is not meant to imply that Egyptian workers do not pay attention to other characteristics. As noted previously, 'respect and fair treatment' and 'friendly and helpful fellow workers' were placed second and third in importance. It could also be argued that, depending on the individual, money might satisfy the needs of esteem and autonomy<sup>(10)</sup>. At the same time, the importance of 'earnings' to our workers is similar to the results obtained by Goldthorpe and his associates<sup>(11)</sup>, and by Vamplew<sup>(12)</sup> with regard to British workers. The study of Mexican workers also revealed similar results regarding the importance of 'earnings' to workers<sup>(13)</sup>.

#### Level of the Characteristics Present in Workers' Jobs

Workers and management were asked about the level of the previous six characteristics present in workers' jobs. The following table shows workers' perceptions of the present level:

TABLE 5/4

Workers' Perceptions of the Level of Six Characteristics Present in their Jobs

Level	High		Moderate		Low		Total	
Characteristics	N	%	N	%	N	%	N	%
Earnings	6	3.0	28	13.9	167	83.1	201	100
Friendly and helpful fellow workers	125	62.2	72	35.8	4	2.0	201	100
Chances of promotion	1	0.5	15	7.5	185	92.0	201	100
Secure future	27	13.4	149	74.2	25	12.4	201	100
Fringe benefits	9	4.5	48	23.9	144	71.6	201	100
Respect and fair treatment	33	16.4	132	65.7	36	17.9	201	100

Although workers consider 'earnings' the most important characteristic, as noted before, table 5/4 shows that most of them consider the present level of their earnings low. It can also be noted that, despite the fact that by law workers are guaranteed their jobs to a great extent, nearly three quarters said that the present level of 'security' is moderate. This could be because, as noted before, workers are concerned about their earnings rather than just a guaranteed job. We can also see from the table that the majority of the workers said that 'chances of promotion' in the company are low.

As might be expected, workers' perceptions of the present level of their earnings is found to be related to their earnings. The percentage of workers who consider the level of their earnings low decreases as earnings increase<sup>(14)</sup>. However, it is interesting to note that 6 workers get more than £E 120 per month but 3 of them still consider the level of their earnings low.



Regarding security in the job, we suggested previously that job security has a material meaning to our workers. This was supported by the responses obtained when we asked them whether they consider the present level of security in their jobs high, moderate or low. We used the analysis of variance to examine the effects of some variables on workers' perceptions of job security. The independent variables are: Occupation, education, hometown, marital status, and earnings as covariate. The results of ANOVA reveal that the equation is significant at the 5 percent level, and it explains 8.9 percent of the total variance. Earnings has a significant effect at the 1 percent level, and marital status has a significant effect at the 5 percent level<sup>(15)</sup>.

Cross-tabulating workers' perceptions of the level of job security by earnings indicates that as workers' earnings increase, lower percentages consider the level of security low. For example, while 16 percent of the workers who get £E60 or less per month said that the level of job security is low, 3 out of 42 (7 percent) workers who get £E81 to 100 per month gave the same answer<sup>(16)</sup>.

With respect to marital status, while 1 out of 27 single workers considered the level of job security low, 14 percent of married workers (24 out of 174) gave the same answer. This could be because married workers have more financial responsibilities. And, as noted above, job security has material meaning to workers.

Most managers, supervisors and foremen agreed with workers that the present level of workers' earnings is low, as 86 percent (N=129) of management said that the level is low, and 14 percent (N= 21) said that

the level is moderate. On the other hand, the responses indicate that a higher percentage of the supervisory staff said that the level of security is high, than the percentage of workers. For, while 13 percent of the workers said that job security is high, 17 percent of foremen and supervisors, and 34 percent of the higher levels of management said that the present level of security in workers' jobs is high<sup>(17)</sup>. This could be because management think of job security in a different way. Management may think of workers' security in terms of guaranteeing the job rather than earnings from the job, and as noted before, management cannot dismiss workers. At the same time, there are some factors which reduce the effectiveness of the disciplinary system in the company<sup>(18)</sup>. Therefore, management may think that workers have too much security in their jobs.

On the basis of the evidence presented in this section, it would appear that most workers and management agreed together that the present level of workers' earnings is low. It is also indicated that workers perceive job security in terms of their earnings, ie, the level of workers' earnings affects their perceptions of the level of security in their jobs.

#### The Workers and their Jobs;

In the previous sections workers were asked directly about their needs and the level felt to be present in their jobs. In this section we shall approach the same issue but from a different standpoint. Workers were asked some questions about their jobs to help explore their orientation to work.

First, workers were asked whether they think about their jobs after work. Overall, 78 percent of the workers do not think about their jobs after work. Analysing the responses by occupation shows that maintenance workers who think about their jobs after work are more than those in the other two

groups of workers, as reported in the following table:

TABLE 5/5

Whether Workers think about their Jobs after Work by Occupation

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
Think about the job	N	%	N	%	N	%	N	%
Yes	5	14.7	19	16.3	20	40	44	21.9
No	29	85.3	98	83.7	30	60	157	78.1
Total No of respondents	34	100	117	100	50	100	201	100

Note  $\chi^2 = 15.747$

$P < .01$

The following are typical of the replies given by workers who said that they do not think about their jobs after work:

"I forget everything related to work at the gate of the plant".

"I go back home unable even to talk, I sleep directly after eating".

"Do you want me to kill myself, isn't eight hours enough?"

"When I go back home, I find other kinds of problems".

Workers who said that they think about their jobs after work were asked, which things they think about. We found that auxiliary workers and machine operators think about the effort which they exert at work, 12



percent and 9 percent respectively. Maintenance workers, on the other hand, said that they think about a problem related to the work itself, 22 percent, or the work done during the day, 14 percent<sup>(19)</sup>. As noted in chapter 4, maintenance workers' responsibilities are different from the responsibilities of machine operators and auxiliary workers. Hence, maintenance workers may have more things in their jobs to think about. For instance, they may think about the machines they have repaired, and they may also think of any problems facing them in other machines. What makes the task of maintenance workers more difficult is the lack of training in the company. Even for new machines, no planned training programmes are carried out.<sup>(20)</sup>

Workers were further asked whether they would prefer to do another job in the company. The responses indicate that nearly one third of machine operators would like to be transferred to another job. At the same time, 27 percent of auxiliary workers, and 10 percent of maintenance workers said that they would like to do another job<sup>(21)</sup>. When we asked workers which job they prefer, 15 percent of both auxiliary workers and machine operators said that they prefer maintenance jobs. Also, 7 percent of machine operators said that they would prefer to do any other job on the shop-floor but not machine operator<sup>(22)</sup>. Workers were also asked why they prefer the other job which they mentioned. We found that 'Less effort needed' come as the first reason. Surprisingly, higher percentage of younger workers mentioned this reason than older workers, 18 percent and 10 percent respectively<sup>(23)</sup>. This could be because workers' earnings are not related to their effort, as will be demonstrated in the next chapter.

Another reason could be that workers would like to save their effort because they have a second job outside the company<sup>(24)</sup>.

To summarise, most workers consider their jobs merely as a means to an end. Among the different aspects of the job money appears to be the one which causes the greatest concern among workers. At the same time, getting a job which needs less effort or gives more money predominated in the replies of the workers who said that they would prefer another job in the company.

This conclusion is one that is supported further by the responses obtained when workers were asked, if they could change one thing in their jobs what would it be. The following table shows workers' responses:

TABLE 5/6

What Workers would like to change in their Jobs by Education

Education	Illiterate		Primary & Preparatory		Secondary		Total	
Things to be changed	N	%	N	%	N	%	N	%
To get more money	98	77.8	35	68.7	12	54.6	145	73
Fairer treatment from management	6	4.8	7	13.7	5	22.6	18	9.0
Better chances for promotion	11	8.7	5	9.8	1	4.6	17	8.5
Better health service	11	8.7	4	7.8	1	4.6	16	8.0
To be equipped with tools	0	0	0	0	3	13.6	3	1.5
Total No of respondents	126	100	51	100	22	100	199	100

Note  $\chi^2 = 34.959$

P < .01

As can be seen from the table, overall, 73 percent of the workers said that they would like more money. It is also noted that there is an inverse relationship between the level of education and asking for 'more money' and a proportional relationship between the level of education and asking for 'fairer treatment'. This cannot be interpreted to mean that higher educated workers ask for 'fairer treatment' more than money. Higher educated workers expect to get higher wages, find good opportunities for promotion, and find the tools which they need in their jobs. However, as will be demonstrated in the next chapter, length of service affects workers' earnings more than education<sup>(25)</sup>. Because of that higher educated workers ask for 'fairer treatment'. It was demonstrated quite clearly during the interview survey that educated workers meant by 'fairer treatment' to be paid according to their effort and the nature of their jobs. As one of the secondary level workers put it:

"I do the same job as that man. I spent 12 years in schools and he cannot even write his name. Why does he get over a hundred pounds and I get only 55 pounds? Don't say that he has experience. When we repair a machine, he doesn't understand what he is doing, he just does it as he saw others doing it. We were taught in schools what to do and why, but our wages are lower, why? we do ~~the~~ same jobs and work the same hours!"



## CONCLUSION

The first result which emerges from our survey is that, the workers cited in the study are instrumentally oriented. They emphasise the importance of pay whenever they talk about their jobs. This confirms our first hypothesis. The second hypothesis is also supported, since management placed four characteristics differently. These characteristics are; friendly and helpful fellow workers, secure future, fringe benefits, and chances of promotion. Our third hypothesis is also confirmed by the results of the survey. For it was found that the percentage of supervisors and managers who considered the present level of security in workers' jobs high is more than the percentage of the workers who gave the same answer.

A not altogether surprising conclusion is that material incentives still serve as the key motivator of our workers. Therefore, to control those workers, management need to depend upon means related to material incentives. As noted before, in a bureaucratic mode these means are based on a structure of rewards and sanctions. On the basis of our results there is little evidence that job redesign or participation in management have importance for motivation of those workers, for they seem more concerned about their pay packets than other job-related characteristics.

## R E F E R E N C E S

- (1) Appendix (1), table (10).
- (2) The six characteristics were written on a card which was handed to educated respondents to select the most important three. Regarding illiterate workers, the characteristics were first read to them twice and after that one by one to select the most important three.
- (3) This will be discussed in detail in chapter 8.
- (4) According to Law 48, 1978, to dismiss a worker, a committee should first consider his case. This committee must be composed of: (1) the head of employment office of the governorate where the company is located, (2) a representative of workers' union, and (3) a representative of the company management. The committee examines a worker's case and write a recommendation to the chairman of the company, who cannot dismiss a worker unless it is recommended by that committee (Law 48, 1978, clause 85).
- (5) We use marital status as a proxy for family responsibilities because of two reasons: (1) using the number of children only is not enough for childrens' ages affect fathers' financial responsibilities, for example, a worker may have 5 children but 4 of them have grown up, while another worker may have 3 children who are still young, and (2) only 6 percent of married workers in our sample have 1 child, and 87 percent have 2 children or more.
- (6) Appendix (1), table (11).  
The same equation was used to analyse management responses but the result was not significant.
- (7) Appendix (1), table (12).  
The same equation was used to test management responses on the same question, but the result was not significant.
- (8) Appendix (1), table (13).
- (9) This point will be discussed in detail in chapter 11.
- (10) McClelland, D C, op.cit., p 527.
- (11) Goldthorpe, et.al., op.cit., p 37.
- (12) Vamplew, C, op.cit.
- (13) Slocum J W, et.al., op.cit.
- (14) Appendix (1), table (14).
- (15) Appendix (1), table (16).
- (16) Appendix (1), table (17).

- (17) Appendix (1), table (18).
- (18) This will be discussed in detail in chapter 10.
- (19) Appendix (1), table (20).
- (20) Lack of training in the company will be discussed in chapter 12.
- (21) Appendix (1), table (21).
- (22) Appendix (1), table (22).
- (23) Appendix (1), table (23).
- (24) Evidence on this point is presented in chapter 11.
- (25) Promotion opportunities will be discussed in chapter 8.



## CHAPTER SIX

### THE COMPANY WAGES AND SALARY STRUCTURE

The results reported in the previous chapter revealed that earnings was considered the most important job-related characteristic to our workers. Therefore, the payment system could be an important managerial tool for motivation and control over those workers.

Our hypothesis is:

The relationship between pay and performance is weak, which reduces the effectiveness of the payment system as a means of labour control in the company.

In order to examine this hypothesis, we are concerned in this chapter with earnings function analysis to explore pay differentials in the company. In the next chapter we consider the incentives introduced by the company management as a means of motivation and control over workers in the production area.

Management use different means of motivation and control in order to enhance workers' performance, as noted before. According to the human capital theory, individuals' performance depends on the knowledge and skills people invest in themselves through education and training, and this is what Schultz calls 'human capital formation'<sup>(1)</sup>. Human capital theorists assert that individuals' investment in education and training depends on the return of this process. Becker, for example, says that:

"The most important single determinant of the amount invested in human capital may well be its profitability or rate of return" (2)

Returns to investment in education are two types: private and social. In this study we are concerned with private rates of return<sup>(3)</sup>.

The human capital theory has been criticised by Bowles and Gintis. Their main criticism is that the theory considers labour as a commodity which can be exchanged, and does not pay attention to class conflict or social and political factors. For example, they say that in the United States:

"Black and female, who are by and large excluded from exercising authority over any but workers of their own sex and race, are likely for this reason to earn lower returns to schooling". (4)

But we believe that these are distortions, and do not prove that the human capital theory is incorrect, as will be discussed later in this chapter.

In order to encourage people to improve their skills, a rational wages and salary structure rewards education and on-the-job training ie, experience, as they increase individuals' productive capacity. The Earnings curve continues to rise with experience up to a certain point, then it flattens and may start to turn downwards. This is because after a certain point individuals' productive capacity might start to decrease because of, for example, depreciation of education and loss of mental or physical vigour.

Performance is also affected by individuals' behaviour at the workplace, as they may acquire the needed knowledge and skills but turn up late or absent themselves from work. Therefore, a rational wages and salary structure needs also to reward responsible behaviour which fits in with management objectives. Annual increments and promotion could be used for this purpose. In order to enhance workers' effort, giving or withholding these rewards need to be seen to be based on performance. Performance appraisal could be used to establish an instrumental relationship between performance and these rewards. Discipline also affects pay, but on the negative side, and could be used as another device of control over our workers who are instrumentally oriented.

In this chapter an attempt will be made to explore the effects of education and experience on our respondents' earnings. The other managerial tools mentioned above will be considered in the following chapters<sup>(5)</sup>.



Mincer developed the following function for the analysis of logarithmic earnings profiles:<sup>(6)</sup>

$$\ln E_j = E_o + r_s S + r_{pk_j} = \ln Y_s + r_{pk_j}$$

$E_j$  = gross earnings in period  $j$

$E_o$  = initial earning capacity

$r_s$  = return for schooling

$r_{pk_j}$  = return for post-school investment

$Y_s$  = initial earnings after completion of  $s$  years of schooling

This function seems appropriate, and we consider it the basis of earnings function analysis for our respondents.

#### Earnings Function Analysis:

In Egypt the wages and salary structure of the public sector is governed by Law. The structure provided by Law No 48 of 1978 was intended to be guidance for public enterprise management. Each enterprise was expected to establish its own structure in the light of the structure granted by the Law, and on the basis of a job evaluation programme<sup>(7)</sup>. However, with few exceptions, public enterprises used the structure provided by the Law without any change<sup>(8)</sup>. Law no 48 of 1978 compressed job grades into 9 instead of 12 previously<sup>(9)</sup>. Another structure was introduced by Law No 114 of 1981, which provides a minimum and a maximum for each grade with overlaps with several higher grades. For example, the maximum of the fifth grade for manual workers - £E864 - overlaps with the second grade - £E720 to 1648 - for middle management<sup>(10)</sup>. At the same time, Law 114, 1981 increased the wage of the lowest grade 56 percent, but the increase was 18.2 percent for top grade. Also, Law 31, 1983 increased the wage of the lowest grade by 20 percent, but only 2.4 percent for top grade<sup>(11)</sup>.

Therefore, it is not surprising that a study conducted on seven African countries concluded that:

"Whether one takes nominal salary differentials or total post-tax differentials (including fringe benefits and secondary incomes), it is probably still the case that there is a spectrum with low and rapidly narrowing differential Tanzania and Egypt at one end and Kenya at the other" (12).

In order to explore pay differentials for our respondents, both workers and management will be included in the analysis of earnings profiles. This is to avoid the effects of truncation of the sample. For example, as years of education is higher for managers than for workers<sup>(13)</sup>, analysing workers' earnings separately will not show the accurate effect of education on earnings. Therefore, to test for the effects of education and experience on earnings, the following specifications were made for the sample of 351 regular male employees:

$$W = f (s) \quad (1)$$

$$W = f (S, E) \quad (2)$$

$$W = f (S, E, E^2) \quad (3)$$

$$W = f (S, E, S^2, E^2, S.E) \quad (4)$$

$$W = f (S_i, E, E^2) \quad (5)$$

$$W = f (S, E_c, E_p) \quad (6)$$

$$W = f (S, E, S^2, E^2, E_c) \quad (7)$$

Where:

$W$  = Log total earnings in LE including basic pay, nature of work payment, inflation payment, incentives and fixed overtime<sup>(14)</sup>.

$S$  = years of schooling<sup>(15)</sup>

$S_i$  = education dummy variables with

$S_0$  = no education (base dummy)

$S_1$  = primary education (6 years)

$S_2$  = preparatory education (9 years)

$S_3$  = secondary general (12 years)

$S_4$  = secondary technical (12 years)

$S_5$  = university (17 years)

$E$  = years of wage employment

$E_c$  = years of wage employment with current employer

$E_p$  = years of wage employment with previous employers

The unadjusted age-earnings profiles by years of education are presented in Graph 6/1<sup>(16)</sup>. The profiles tend to be straight lines rather than curves.

Also, there is no peak in the profiles before retirement age. This is different from the results obtained in other studies in which a peak was found at a certain age<sup>(17)</sup>. The difference between our results and the results obtained in other studies reflects the fact that in Egypt workers' starting wage is determined according to the grade system enforced by public sector labour law. And every year workers are awarded an annual increment, determined also by the Law, and as will be demonstrated in chapter 9, the annual increment is awarded to almost all workers.

Moreover, the law states that if a worker is transferred to another job in the same company or in another public sector company he must be paid the same wage or salary which he was getting, irrespective of the nature of the jobs<sup>(18)</sup>. For example, production workers who become disabled during their employment



are usually transferred to the company store, or to be cleaners, or any other job which does not require much effort. However, they continue to get the same wage and they are also awarded the annual increment according to their job grade. As a result, there is no factor which decreases a worker's earnings as his age increases. We also note from Graph 6/1 that at the beginning the differential between levels of education is not wide. But as age increases the differential between university graduates on the one hand, and other levels of education on the other hand increases continuously. With respect to secondary level after the age of about 35 the differential between their earnings and university earnings starts to increase considerably. This could be because university graduates are promoted to higher positions in a shorter time than secondary level graduates. For example, in ESCO university graduates at the age of 40 to 45 are either department managers or plant managers while secondary graduates at the same age are not more than section managers<sup>(19)</sup>.

The results of applying regression analysis to test for the effects of education and experience on earnings profiles confirm the importance of years of employment experience in the determination of earnings (Table 6/1)<sup>(20)</sup>. Education explains 0.01 percent of the variance in earnings (equation 1). The addition of years of employment experience in equation (2) increases the explanatory power of the earnings function by not less than 63 percent. As might be expected from the graphical presentation, the coefficient on the square of years of experience is trivial and not significant. This confirms that earnings profiles do not turn downwards before retirement age.

We can also see from table 6/1 that, the square of years of education and the interaction term of education and experience improve the explanatory power of the function by about 4 percent. The coefficient on the interaction term (S.E) is not significant, but the coefficient on the square of years of education is significant. This suggests that there are differences in the rates of return for different levels of education<sup>(21)</sup>. To estimate these differences education was entered in a dummy form with years of employment experience. Equation (5) shows that the advantage for a university degree is only 64 percent of the average earnings of a person with no education. Secondary technical graduates receive a greater premium than those with secondary general education. For while the first group receive about 31 percent over an illiterate person, the latter gain only about 19 percent. This is a reflection of the shortage of maintenance workers in the company. Because of this shortage some secondary technical graduates work 12 hour shift<sup>(22)</sup>.

GRAPH 6/1Unadjusted Age-Earnings Profiles for Five Different Levels of Education

Average earnings  
per month:  
£E

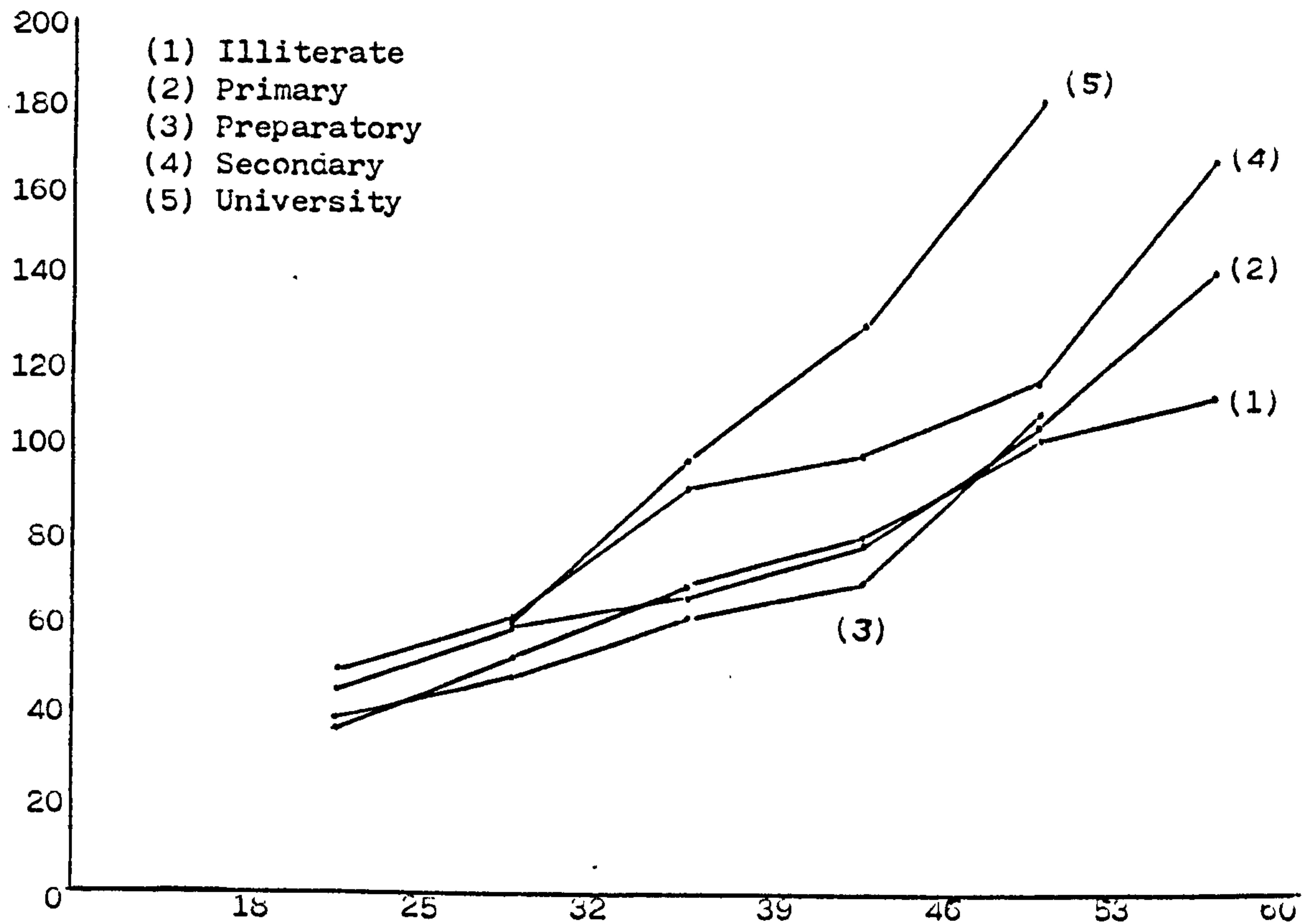




TABLE 6/1

Coefficients on Education and Employment Total Experience

Equation	(1)	(2)	(3)	(4)	(5)
Constant term	4.417	3.599	3.543	3.653	3.612
S	0.0041	0.029*	0.028*	-0.0187*	
E		0.032*	0.039*	0.0325*	0.0356*
E <sup>2</sup>			-0.0001	-0.00005	-0.0001
S <sup>2</sup>				0.0030*	
S.E				0.0003	
S <sub>1</sub>					0.0517
S <sub>2</sub>					0.0011
S <sub>3</sub>					0.1908*
S <sub>4</sub>					0.3143*
S <sub>5</sub>					0.6360*
R <sup>2</sup>	0.0011	0.640	0.641	0.678	0.704
F	1.395	311	209	148	119
W					90.48
S					4.68
E					22.05
N					351

\* significant at the 1 percent level.

In order to estimate the rates of return for previous and current employment experience, we entered the two variables with education in other specifications (Table 6/2) (23). As might be expected, previous and current employment experience affect earnings differently. While the rate of return for previous experience is 2.5 percent per year, it is 3.3 percent per year for current experience (equation 6). In equation 7, when total experience and current experience are entered together, we see that the rate of return to "job specific-skills" is nearly 1 percent per year, added to the return for total experience. This result is consistent with the human capital theory. Blinder, for example, points out that:

"there is every reason to believe that the two (experience relevant to the present job and previous experience) should affect wages differently" (24).

This is certainly right, because previous experience increases individuals' general skills. On the other hand, job/specific skills tend to rise as years of experience on a specific job increase. Hence, earnings differentials based on years of experience is not necessarily an irrational system.

TABLE 6/2

Coefficients on Employment Current Experience, Previous Experience and Education

Equation	(6)	(7)
Constant term	3.585	3.632
S	0.029*	-0.0123*
$E_p$	0.025*	
$E_c$	0.033*	0.00959*
E		0.0229*
$S^2$		0.00292*
$E^2$		0.000004
$\bar{R}^2$	0.645	0.683
F	212	151
$\bar{W}$		90.48
$\bar{S}$		4.68
$\bar{E}_p$		1.99
$\bar{E}_c$		20.06
$\bar{E}$		22.05
N		351

\* significant at the 1 percent level.



In order to test for the effects of education on the earnings of cohorts who joined work at different times, we computed the return for education with the sample stratified by total experience. The results are presented in table 6/3. The analysis reveals that the rate of return for education rises to a peak for individuals with between 16 to 20 years of employment experience. According to the Mincerian concept of 'overtaking' or 'cross-over', this result suggests that observed earnings become equal to potential earnings during this period, ie, between 16 and 20 years of work experience<sup>(25)</sup>.

At the peak, the rate of return for education is about 4 percent per year of education. This rate is very low compared to the rate of return estimated for some developing countries. According to Psacharopoulos' estimation, the rate of return is around 14 percent for the average year of education in developing countries<sup>(26)</sup>. The overall rate of return is low because the rate of return for primary and preparatory is low and not significant (Table 6/1). Even at university level the rate of return is 6.2 percent per annum<sup>(27)</sup>.

TABLE 6/3

Coefficient on Education with the Sample Stratified by Total Experience

Total experience in years	-7	8-15	16-20	21-25	26-30	31+
Coefficient	0.023*	0.032*	0.039*	0.023*	0.026*	0.006
<sup>-2</sup> R	0.21	0.414	0.561	0.311	0.173	-0.004
F	10.31	46.16	48.26	32.56	13.36	0.676
$\bar{N}$	53	70	60	66	103	121
N	36	65	38	74	60	78
Mean years of education	8.28	7.46	6.95	4.47	2.65	1.16

\*significant at the 1 percent level.

To establish whether experience adds proportionally more to the earnings of higher levels of education, the sample was stratified by level of education (Table 6/4). We can see that the single variable, years of work experience, explained between 63 and 81 percent of variation in the earnings of different levels of education. This confirms that wages and salary structure tends to reward length of service rather than any other factor. The rate of return for a year of experience ranged from 2.7 percent to about 3.7 percent, but followed no consistent pattern. For example, the rate of return for a year of experience is higher for preparatory than secondary level, about 3.7 percent and 3.2 percent respectively. Moreover, the rate is equal for both preparatory and university levels, about 3.7 percent per year for the two levels. This may mean that the effect of education is diluted by other factors such as social benefits and access to overtime.

TABLE 6/4

Coefficient on Total Experience with the Sample Stratified by Educational Level Achieved

Level of education	Illiterate		Primary		Preparatory		Secondary		University	
Coefficient on E	0.0299*	0.0316*	0.0272*	0.0246*	0.0368*	0.0320**	0.0322*	0.0477*	0.0369*	0.0411**
Coefficient on E <sup>2</sup>	-0.00003		0.00006		0.0001		-0.0005		-0.0001	
<sup>-2</sup> R	0.626	0.624	0.763	0.757	0.810	0.805	0.641	0.642	0.721	0.710
F	322	160	136	66	129	62	100	51	68	32
$\bar{W}$	91		81		69		92		120	
$\bar{E}$	26		21		16		17		16	
N	193		43		31		57		27	

\* significant at the 1 percent level

\*\* significant at the 5 percent level



In summary, the previous results indicate that earnings are mostly determined by years of employment experience. Also, none of the age-earnings profiles appears to be turning downwards with advancing years. In the next section of this chapter we examine production workers' and management perceptions of wages and salary structure.

#### Perceptions of the Structure of Wages and Salary:

We first asked whether production workers' earnings depend on their effort. As might be expected, the majority of both workers and management said 'no', 99 percent and 91 percent respectively. When we asked them why, the important reason mentioned by the two groups was "because a worker's earnings depend upon his wage grade but effort depends upon his conscience" (75 percent of workers' responses and 85 percent of management responses).

Older workers argued that they have spent their life in the company, and that it is fair they should be paid more. Moreover, they said that younger workers can have a second job in the private sector, for they are still fit and healthy<sup>(28)</sup>. Younger workers, on the other hand, did not agree. In their opinion, they do the same jobs and they have family responsibilities like older workers. Therefore, it is unfair, as they said, to be paid less than older workers. The following are typical of the comments given by workers with shorter length of service:

"I do the same job as that man, he gets a hundred and twenty pounds per month and I get only seventy pounds. I buy meat once a month, last time my youngest daughter ate my piece of meat. I was happy, but I have to wait till next month".

"As you see, I am doing the same job as that old man, so why do they pay him double my wage. He owns a house and I pay 15 pounds per month as a rent".

"I have to feed my family. My wage here is not enough, I go to another job in the afternoon. I don't work hard here, but I give them effort equal to their money".

As workers' wages are mostly related to their length of service rather than their performance, the question emerges about the usefulness of supervision in increasing production. When we asked production management about this point 87 percent of foremen and supervisors, and 86 percent of the higher levels of management did not agree that if workers are closely supervised production will increase. They gave three reasons for that. First, they think that more money is the best way to push workers to work harder (51 percent of the responses). Second, some said that workers' desire to work is more important than supervision (38 percent of the responses). The third reason is that, trying to solve the problems which cause machine stoppage is more important than supervision (11 percent of the responses). The following are typical of management comments regarding this point:

"A worker can produce in eight hours the amount expected in only six hours, and as long as he is working I cannot say anything. He may work slowly, but he is working. A worker's desire is very important".

"To get the best from workers, we have first to give them enough money. We know that most of them have other jobs, but what can they do? They have family responsibilities".

"In the public sector there is no conscience, everybody says it is not mine, it is not yours, 'A festival without a director' (29)".

The previous responses indicate that both workers and management agreed together that workers' performance depends on their conscience rather than pay. At the same time, management responses reveal that supervision alone is not enough to motivate workers to exert more effort and improve their performance. This result is not different from the results obtained in other studies<sup>(30)</sup>.



## CONCLUSION

Some of our findings are consistent with the human capital theory, and some are not. The analysis revealed that the rate of return for current experience is more than the rate of return for previous experience. This, as noted before, is consistent with the human capital theory assumptions. Since productive capacity in a particular job tends to increase with years of experience in that job, it needs to be rewarded more than previous experience.

Our analysis also suggests that the rate of return for education increases with years of employment experience till it reaches a peak, then starts to decrease. This is also, as noted before, consistent with the assumptions of the human capital theory.

On the other hand, the human capital theory suggests that earnings profiles increase with rising experience (and with age as a proxy for experience) till they flatten, and may turn downwards after that. Our results do not conform this assumption. For it was found that earnings profiles tend to be straight lines which do not turn downwards till retirement age. We believe that this is not because the assumptions of the human capital theory are incorrect. For individuals' productive capacity tends to increase with experience till it reaches a peak. And because of ageing it may not only flatten, but also start to go down.

This distortion in our results is because the wages and salary structure of the company is governed by the public sector labour law. According to that law, as noted before, individuals are guaranteed their pay irrespective of any changes in their abilities or the nature of their jobs.

Also, as will be demonstrated in chapter 9, they are guaranteed their annual increments to a large extent. Added to that, all citizens who have jobs in the public sector or the civil service are sometimes awarded exceptional raises by Presidential decrees on certain occasions, such as the feast of Ramadan or workers' festival<sup>(31)</sup>. As a result, individuals' earnings continue to increase with age irrespective of their productive capacity.

By and large, the results reported in this chapter support our hypothesis that, the relationship between pay and performance is weak, which reduces the effectiveness of the payment system as a means of control in the company.

## R E F E R E N C E S

- (1) Schultz says that: "The distinctive mark of human capital is that it is a part of a man. It is human because it is embodied in man, and it is capital because it is a source of future satisfaction, or future earnings, or both". (Schultz, T W, Investment in Human Capital, Collier-Macmillan Ltd., London, 1971, p 48).
- (2) Becker, G S, Human Capital, Columbia University Press, 1975, p 45.
- (3) Sheehan states that: "the private returns aspect considers the relation between the costs incurred by private individuals in obtaining education and the benefits they, as individuals, derive from this education. The social aspect considers the relation between costs and benefits accruing to society as a whole". (Sheehan, J, The Economics of Education, George Allen & Unwin Ltd., London, 1973, p 31).
- (4) Bowles, S and Gintis, H "The Problem with Human Capital Theory: A Marxian Critique", American Economic Review, May 1975, Vol 65, No 2, pp 74-82.
- (5) In the next chapter we examine the effectiveness of the incentives introduced by the company management. In chapters 8, 9 and 10 we consider promotion, performance appraisal and discipline.
- (6) Mincer, J, Schooling, Experience and Earnings, Columbia University Press, 1974, pp 18-19.
- (7) Egypt, Law No 48, 1978, clause 8.
- (8) Hansen, B and Radwan, S, op cit, p 230.
- (9) See Appendix (1), table (74).
- (10) Appendix (1), table (24).
- (11) Ibid.
- (12) Abdin, R, Bennell, P, Fajana, O, Godfrey, M and Hamdouch, B, A World of Differentials, Hodder and Stoughton, London, 1983, p 140.
- (13) See Appendix (1), table (8).
- (14) Nature of work payment is a fixed amount determined by law for each wage grade. For example it is £E 3.9 for workers on grade 6 and £E 4.2 for workers on grade 5. Inflation payment depends on marital status and number of children. Fixed overtime is for workers who work a 12 hour shift because of the shortage of labour in the company and where they have no option.



- (15) In Egypt, primary education is compulsory. Students who complete preparatory can go either to secondary general or secondary technical depending on their marks and desires. Secondary general students who decide to go to university are distributed on faculties according to their marks and desires. Secondary technical includes: agriculture, commercial and industrial schools. Only the top 30 in each type on the country level can go to university.
- (16) Appendix (1), table (25).
- (17) Mincer, J, op cit, pp 64-82.
- Henley, J S "Management Strategy, The Labour Market and the Workers' Response in Kenyan Manufacturing Industry, The University of Edinburgh, Unpublished paper, 1983.
- (18) Egypt, Law 48, 1978, clause 22.
- (19) After section manager in the hierarchy there are: sections managers, department managers and plant managers.
- (20) Inclusion of job grade, as independent variable with education and years of employment experience, in early specifications caused a problem of multi-collinearity. For, education and years of employment experience are proxies for job grade.
- (21) The significant coefficient on the squared term of years spent in regular education suggests that the slope of earnings curve increases with level of education. Fitting the curve for all levels of education would give a concave parabolic shape.
- (22) Although workers are paid 150 percent of wage rate for overtime work, some maintenance workers do not agree to work overtime. They prefer to have a second job in the private sector.
- (23) We use the following equation developed by Blinder as a basis for our analysis:
- "Log W = f (S,  $x_1$ ,  $x_2$ , other variables) where x denotes relevant (to the present job) experience, and  $x_2 = x - x_1$  denotes all other experience" (Blinder, A S, "On Dogmatism in Human Capital Theory", The Journal of Human Resources, 1976, No 1, pp 8-22).
- (24) Ibid.
- (25) Mincer, J, op cit, pp 16-18.
- (26) Psacharopoulos, G, "Return to Education: an Updated International Comparison", in King, T (ed), Education and Income, World Bank Staff Working Paper, No 402, Tables 2-4.
- (27) Psacharopoulos, G, op cit, p 79 estimates the private rates of return to different levels of education from estimated coefficients on dummy variables representing educational level. For example:
- $$r_{\text{(university vs secondary technical)}} = \frac{(0.636 - 0.314)}{5}$$

= 6.4 percent per year of education for people who complete university compared with secondary technical graduates.

(28) Second job will be discussed in detail in chapter 11.

(29) This is an Egyptian idiom, in Arabic:

‘مولد وصاحبه غاييب‘

(30) See for example:

Whyte, W F et al, op cit, pp 11-38.

Behrend, H, "A Fair Day's Work", Scottish Journal of Political Economy, 1961, Vol 8, pp 102-118.

(31) Ramadam is the month in which Muslims fast, and the feast is at the end of that month.

## C H A P T E R   S E V E N

### THE EFFECTIVENESS OF INCENTIVE PAYMENT IN THE COMPANY

As noted in the previous chapter, workers' earnings include four components: basic pay, nature of work payment, inflation payment, and incentives. The first three components are set by law. With respect to the fourth component, ie, incentives, enterprise management has more freedom to establish its own scheme<sup>(1)</sup>. In this chapter we examine the effectiveness of the incentive scheme introduced by the company management as a means of motivation and control over production workers. In ESCO, machine operators get two types of incentive payment. These are: (1) a piece rate payment depending on the amount of production on an individual basis, and (2) an additional incentive paid in mid month. This additional incentive is calculated on the basis of the piece-rate payment to every machine operator in the previous month.

With respect to other production workers and the supervisory staff they get an incentive depending on the average of the second type of incentive paid to machine operators. They also get it in mid month when machine operators get their second type of incentive payment.

We shall first consider the piece-rate system, then the second type of incentive which covers all production workers and management.

#### The Piece-Rate System:

When a worker is transferred from one job to become a machine operator, 20 pounds are deducted from his total earnings. This amount is refunded to the worker in the form of a piece-rate payment calculated on the basis of the rate established for particular machines. The rest of the workers' earnings, after deducting the 20 pounds, is considered a 'guaranteed wage' to



the worker. Regarding the effectiveness of the piece-rate system in the company, it was noted that machine operators do not know the amount of piece-rate payment in total earnings. Every worker gets with his monthly earnings a wage slip which shows only total earnings and the details of deductions<sup>(2)</sup>. Therefore, piece-rate payment loses its effectiveness as an incentive. For, as noted in chapter 3, a piece-rate system could be effective when: (1) the amount of piece-rate payment is high enough to encourage more effort, and (2) workers know how much they get as piece-rate payment, so that they know the outcome of exerting more effort in their jobs<sup>(3)</sup>. Because our workers did not know piece-rate payment, we did not have the opportunity to include it in the questionnaire as a separate item in workers' earnings<sup>(4)</sup>. Instead, we obtained some data on piece-rate payment to a sample of workers from the records of the company.

Table 7/1 shows that the percentage of piece-rate payment to total earnings is higher for workers with shorter length of service. For example, the percentage of piece-rate payment to worker number 1 in the table is 67 percent of his total earnings, but it represents about 29 percent of the total earnings for worker number 8 in the table. We can also see from the table that workers numbers 1, 2 and 3 in the table get the same amount of piece-rate payment, 109.4 million per hour<sup>(5)</sup>. However, the percentage of piece-rate payment to their total earnings is different. This is because the annual increments and any exceptional raises awarded to the workers<sup>(6)</sup> are added to the 'guaranteed wage', which is not affected at all by a workers' production. Hence, as a machine operator's length of service increases, the percentage of piece-rate payment to his total earnings goes down, as total earnings include the 'guaranteed wage' and piece-rate payment.

TABLE 7/1

The Percentage of Piece-Rate Payment to Machine Operators' total Earnings per hour

Length of service (yrs)	Workers No	Total Earnings per hr Millim*	guaranteed wage		Piece-rate payment	
			Millim	%	Millim	%
-2	1	164.2	54.8	33.4	109.4	66.6
	2	172.4	63	36.5	109.4	63.5
3-7	3	232.6	123.2	53	109.4	47
	4	248.7	136.7	55	112.	45
	5	243.1	133.7	55	109.4	45
10-25	6	313.9	190.8	60.8	123.1	39.2
	7	387.9	273	70.4	114.9	29.6
	8	409.8	289.6	70.7	120.2	29.3
	9	415.7	299.3	72	116.4	28
26+	10	559.7	442	79.1	117.2	20.9
	11	465.2	362.8	78	102.4	22
	12	419.1	321.7	76.8	97.4	23.2
	13	558	446.7	80.1	111.3	19.9
	14	521.6	421.4	80.8	100.2	19.2
	15	487	404	83	83	17

Source: ESCO, Wages records, 1983

\*Millim is one-thousandth part of Egyptian pound.

It could be argued that workers with shorter length of service are motivated to work harder, since the percentage of piece-rate payment to their total earnings is higher. But the responses of both machine operators and their supervisors indicate that this does not seem to be true. Machine operators and their supervisors were asked whether the present piece-rate is rather low, fairly good or excellent. The majority of machine operators said that the rate is low (93 percent), and about three quarters of their supervisors agreed with that<sup>(7)</sup>. The following are typical of workers' comments with respect to the present rates:

"The rate is calculated by millim, the rate for one kilogram is 3 millim, I produce 200 kilos per day which means 600 millims, is the millim used now in the country? Do you see it at all?"

"I operate 12 sheds, the average amount of my production is 5000 units per day, and the rate is 11 piasters for a thousand. My production gives me only 55 piasters a day, but my monthly earnings are eighty pounds".

"The rate is 23 piasters for one thousand units. I produce on average 4000 units per shift. If I work hard, I may produce 200 units more which means less than 5 piasters. It is not enough to buy a kilo of tomatoes!"

As the standards affect the anticipated amount of production, we also asked machine operators and their supervisors about the fairness of the present standards in their sections. As would be expected a higher percentage of machine operators said that the standards are unfair, than their supervisors (63 percent and 36 percent respectively) <sup>(8)</sup>. At the same time, the majority of both machine operators and their supervisors agreed together that the standards have never been examined (97 percent and 95 percent respectively).

The previous result raises the question about the way of setting the standards in the company. When new machines are set up, the industrial engineering staff depend upon the catalogue of the machine to calculate the number of units which should be obtained if the machine works at the hundred percent efficiency level. As it is difficult to achieve the hundred per cent efficiency level, the industrial engineering staff with the manager of the plant determine the reasonable percentage of efficiency which will be used for setting the standard <sup>(9)</sup>. They depend on their judgment and their personal view to determine this percentage. The following formula is used for setting up the standard per shift in the company:



The standard amount for particular machine

$$= T \times 60 \times H \times A$$

where:

T = number of units obtained at hundred percent efficiency level.

60 = Minute.

H = Working hours per shift.

A = Anticipated level of efficiency.

In summary, the piece-rate system in the company has two main shortcomings. First, workers do not know the proportion of piece-rate payment in their total earnings. Second, workers consider the piece-rate low, which was supported by the responses of their supervisory staff.

#### The Incentive Scheme:

In the previous section we demonstrated the piece-rate system which covers only machine operators in the company. This section considers an additional incentive scheme which covers all shop-floor workers, including machine operators, and production management in our case study. Therefore, we use the term 'incentives' in this section to refer to this scheme which covers all workers and management in the production area.

Incentives are paid in mid month. Machine operators' incentives are calculated on the basis of their piece-rate payment in the previous month. For example, a worker in drawing, roving, combing, winding or doubling who gets £E 13.9 piece-rate payment in a certain month, gets 2 pounds as another incentive in the middle of the following month. A worker in spinning or twisting who gets £E 13.9 as piece-rate payment, gets £E2.5 as another incentive in the middle of the following month.

The amount of incentives, according to the company incentive scheme, increases with the amount of piece-rate payment to workers<sup>(10)</sup>. Therefore, both piece-rate payment and the additional 'incentives' to machine operators depend on their production.

The average of machine operators' incentives is considered the basis for calculating the incentives of auxiliary and maintenance workers, and the supervisory staff in each section. The incentives of the supervisory staff are calculated according to the following percentages:

TABLE 7/2

The Percentages of Management Incentives

Job	Job Grade	Percentage (machine operators = 100)
Foremen	5	150
Shift supervisors	4	200
Section managers	3	250
Sections managers	2	300
Department managers	1	400

Source: ESCO, the incentive scheme, 1983.

Maintenance workers get 70 percent of the incentives of the similar grade of the supervisory staff. For example, a maintenance worker on grade 5 gets 70 percent of the incentives paid to a foreman on the same grade, i.e. wage grade 5. Auxilliary workers are divided into two groups. The first

group are machine operators' helpers. This group gets 50 percent of the average of machine operators' incentives in each section. The second group includes other auxiliary workers such as porters, they get 35 percent of the average of machine operators' incentive.

The literature indicates, as noted in chapter 3, that understanding the reward system is a prerequisite for its effectiveness. Therefore, the first question asked to our respondents was whether workers understand the incentive scheme. The responses reveal that a higher percentage of auxiliary workers said that they do not understand the scheme than both machine operators and maintenance workers. For the percentage of the workers who said that they do not understand the scheme are 32 percent, 13 percent, and 20 percent respectively<sup>(11)</sup>. It can also be noted that a higher percentage of maintenance workers do not understand the scheme than machine operators. This could be because machine operators' incentives are tied to a clear factor, that is a worker's production. But with respect to the other two groups of workers, their incentives are calculated, as noted above, in an indirect way.

The following are typical of the replies given by workers who said that they do not understand the incentive scheme:

"When I go to get my incentive, I am like a person who goes fishing. He doesn't know what he will get".

"I went to the wage department several times to find out how my incentive is calculated. Every time they say, don't ask, this is support from providence, 'God'".

"Last month I went to the cashier to get my incentives, but I didn't find any! I don't know the reason, the wage department don't know. Who knows?"



On the other hand, only 16 percent of foremen and supervisors, and 8 percent of the higher levels of management said that workers do not understand the incentive scheme.

Following that, we asked both workers and management about the factors used in calculating workers incentives, and whether they suggest anything to be taken into consideration. We found two interesting results.

First, according to the incentive scheme, a worker who is absent more than 5 days per month, including leave of absence, does not get any incentive in that month<sup>(12)</sup>. Workers suggested that a leave of absence, should not affect their incentives (61 percent of workers' responses). Management, on the other hand, said that one of the essential purposes of the incentive scheme is to reduce absenteeism. Therefore, incentives are used as a means of controlling workers' absence. But is it effective in this regard? This question will be answered when we talk about the amount of incentives below.

The second interesting result is that, workers suggested that incentives should depend on effort rather than job grade (36 percent of workers' responses). As noted above, maintenance workers get a percentage of the incentives paid to the similar wage grade. Those workers argue that they put more effort and get less incentives than people sitting in offices; they meant section managers, sections managers and department managers. However, higher levels of management said that wage grade is used because it is difficult to measure maintenance workers' effort, and also because it does not leave any opportunity for personal relations to affect incentive payment. This means that higher levels of management use wage grade as a means of controlling incentive payment.

Furthermore, we asked management whether it is important for workers to understand the incentive scheme. About three quarters of foremen and supervisors, and 83 percent of the higher levels of management said 'very important' <sup>(13)</sup>. However, when we asked management 'what was done to explain the incentive scheme to workers?', 41 percent of foremen and supervisors, and 20 percent of the higher levels of management said 'nothing was done'. Other 44 percent of each group, ie foremen and supervisors, and the higher levels, said that 'the scheme was only announced to workers' <sup>(14)</sup>. They meant by this that workers were told that if they work harder they will get higher incentive. And in some sections, a copy showing the amount of incentives paid to machine operators on top of different amounts of piece-rate payment was posted at the door of the section manager's office. As most workers were illiterate, at best they had just an idea about the Incentive scheme, which is not enough. More than thirty years ago Lincoln stated that:

"The primary problem in successfully installing incentive management is to get the desire for the plan in the minds of all in the organisation. This cannot be done by merely telling the organisation that management has decided to install it and outlining the advantages that will result. It is not that easy" <sup>(15)</sup>.

#### The size of the Incentive and its Effect on Workers' Behaviour:

The purpose of the incentive scheme in the company was to: (1) encourage workers to work harder during their shift, and (2) encourage workers to work overtime, for the company suffer from shortage of labour <sup>(16)</sup>.

However, our survey indicates that the scheme has not achieved its second purpose. The reasons are in order.

We first analysed machine operators' incentives by age. As can be seen from table 7/3, the percentage of incentives to total earnings has an inverse relationship with age. For example, the percentage of the

incentives of workers aged 24 years or less is nearly three times the percentage of the incentives of workers aged 53 years or more. This is because workers' earnings go up as age increases (Graph 6/1).

TABLE 7/3

Machine Operators Mean Incentives and Mean Percentage of Incentives to Earnings by Age

Age (years)	Mean Incentive (££ per month)	Mean percentage of Incentive to earnings	N
-24	7.33	0.17	6
25-31	5.95	0.10	20
32-38	6.72	0.09	25
39-45	5.68	0.07	25
46-52	7.13	0.08	8
53+	6.92	0.06	12
			<hr/> 96

Although the percentage of incentives to total earnings is higher for younger machinists, they are not motivated to work overtime. For according to the incentive scheme of the company they can get up to 15 pounds as an incentive, on top of piece-rate payment, per month<sup>(17)</sup>. However, as table 7/3 shows, the mean incentive is not more than 7.3 pounds per month for all machine operators. This suggests that the incentive scheme does not motivate either younger machinists or older machinists to work overtime in the company.

Machinists do not prefer to work overtime in the company for two reasons. First, they said that a higher proportion of their extra effort goes to management incentives rather than their incentives. For as noted from



table 7/2, the percentage of management incentives ranges between 150 percent and 400 percent of the average of machine operators' incentives. This is confirmed by the results reported in table 7/4. This table shows that the amount of incentives paid to both foremen and supervisors, and the higher levels of management is more than the workers' incentives. The table also shows that the percentage of incentives to earnings is higher for the higher levels of management than for workers. This is because, as noted above, management incentives are up to 400 percent of the average of machine operators' incentives.

TABLE 7/4

Mean Incentives and Mean Percentage of Incentives to Earnings by  
Occupation

Occupation	Mean	Range	Std.Dev.	mean % of incentives to earnings	N
Auxiliary workers	3.03	6	1.78	4.7	29
Machine operators	6.39	21	5.11	8.5	96
Maintenance workers	5.90	21	6.16	8.0	40
Foremen and supervisors	7.92	29	6.52	7.7	74
Higher levels of management	12.48	36	8.48	9.3	56
					<u>295</u>

The second reason for which machine operators do not prefer to work overtime in the company is that because the amount of incentive is low, they find it more profitable to get any private work for three or four hours than to work an overtime shift in the company. They also said that after eight hours work in a weaving shed or in a spinning mill they become exhausted. Therefore, they find it difficult to

continue working for another eight hours, for they are not allowed to work for only a part of the overtime shift. We also have to take into consideration that, if a worker works 16 hours, ie two shifts, only eight hours will be left for him before his following shift. In the eight hours left, the worker needs to go back home, to rest, and come back to work which seems difficult.

This indicates that workers try to manage their 'effort bargain' in a way which maximises their earnings. As one worker put it:

"When I go back home I find mouths open<sup>(18)</sup>. I work to feed them, not to increase the incentives for those 'who live on our sweat' (19). If I help a builder for five hours he gives me 5 pounds. But here, eight hours overtime in this noise for less than three pounds. I like my country, but I like my children more".

Finally, workers and management were asked whether the amount of incentives paid to workers is sufficient. The majority said 'no', 98 percent of the workers, 97 percent of foremen and supervisors and 86 percent of the higher levels of management. Those who said that the amount is not sufficient were asked about the sufficient amount to be paid to workers as incentives. The following table shows the proposed amount:

TABLE 7/5Mean of Proposed Amounts for Workers Incentives (₦E)

Occupation	Mean	Std. Dev.	N
Auxiliary workers	13.8	7.9	33
Machine operators	19.6	9.3	114
Maintenance workers	21.1	10.8	49
All Workers	19.0	9.7	196
Foremen and supervisors	18.8	8.1	80
Higher levels	17.6	6.9	54
All management and supervisors	18.3	7.6	134

As can be seen from the table~~x~~ there is no wide discrepancy between workers' and management~~at~~ suggestions. Comparing the proposed amounts with the amounts actually paid to workers indicates that the proposed amounts are more than three times the amounts actually paid (Tables 7/4 and 7/5). At the same time, maintenance workers propose higher amounts than machine operators. This is due to their argument that they are higher in skill, and that effort is not only physical but also mental. For as they said, they think of how to get a machine to work, even after going back home sometimes.



With regard to the incentive scheme, the majority of both workers and management agreed together than the present amount of workers' incentives is low. The amount proposed by workers and management is about three times the present amount of workers' incentives. At the same time, machine operators, whose incentives are considered the basis for other workers' incentives, do not prefer to work overtime so that they can get higher incentives. The main reason is that they find it more profitable to have a second job in the private sector.

The results presented in this chapter and the previous chapter reveal that there is a need for revising the payment system. This is necessary if the company wants workers to give all their labour power instead of giving only part of it.

## CONCLUSION

The results reported in this chapter suggest that neither the piece-rate system nor the incentive scheme is effective as a means of motivation and control over our workers. The piece-rate system is not based on work study, but rather on guess-work. At the same time, the rate is considered low by most machine operators which does not encourage them to exert more effort. Also, about three quarters of the supervisors of machine operators said that the rates are low. Moreover, machine operators do not know how much piece-rate payment is in their monthly earnings. Hence, it loses its incentive effect.

With regard to the incentive scheme, the majority of both workers and management agreed together that the present amount of workers' incentives is low.. The amount proposed by workers and management is about three times the present amount of workers' incentives. At the same time, machine operators, whose incentives are considered the basis for other workers' incentives, do not prefer to work overtime so that they can get higher incentives. The main reason is that they find it more profitable to have a second job in the private sector.

The results presented in this chapter and the previous chapter reveal that there is a need for revising the payment system. This is necessary if the company wants workers to give all their labour power instead of giving only part of it.

# REFERENCES

- (1) According to the public sector labour law, enterprise management is free to establish an incentive scheme which they find suitable to their enterprise (Law 48, 1978, clause 48).
- (2) Deductions include, for example, defence tax, health insurance, and a worker's contribution to pension.
- (3) As noted in chapter 4, technology in the textile industry is a man-machine system. Therefore, the amount of production depends not only on the machine, but also on workers' effort.
- (4) There was a separate item for piece-rate payment to machine operators, but we took it out from the questionnaire after the pilot study.
- (5) According to the wage office, they calculate piece-rate per hour so that they can compensate workers, who were absent from work for legitimate reasons, on the basis of their average. The working week is set at 42 hours (Law No 133, 1961) but workers actually work an eight hour shift, six days a week. The eighth hour is paid at the overtime rate, 150 percent of basic rate.
- (6) Workers are sometimes awarded exceptional raises by Presidential decrees on certain occasions such as workers' festival.
- (7) Appendix (1), table (26). Plant managers and department managers said that the rates which are used now were fixed just after nationalisation in 1961, and have not been changed since then unless a new machine was introduced.
- (8) Appendix (1), table (27).
- (9) According to plant managers and the industrial engineering staff the percentage of anticipated efficiency ranged between 70 and 80 percent of the efficiency level determined in the catalogue of the machine.
- (10) Appendix (1), table (28).
- (11) Appendix (1), table (29).
- (12) ESCO, the incentive scheme, 1983.
- (13) Appendix (1), table (30).
- (14) Appendix (1), table (31).
- (15) Lincoln, J F, Incentives Management, The Lincoln Electric Company, Ohio, 1951, p 121.
- (16) ESCO, Personal interviews with plant managers and department managers, 1983.



- (17) See Appendix (1), table (28) which shows that incentives, on top of piece-rate payment, increase up till 15 pounds for spinning factories of the company. The tables of incentives for other factories of the company is also up to 15 pounds per month.
- (18) He meant his children.
- (19) The worker meant by 'those who live on our sweat', management, because when he was asked 'what do you mean by those' he said 'people staying in their offices talking and drinking tea'.

## C H A P T E R   E I G H T

### THE INCENTIVE EFFECT OF PROMOTION IN THE COMPANY

Promotion is a reward offered to workers by their work organisations.

Our purpose in this chapter is to examine the effectiveness of promotion as a means of driving performance at the workplace in our case study.

We approach this point from two angles. First, we consider the objective aspects of promotion in the company. Second, we examine workers' and management perceptions of promotion in the company.

Four hypotheses will be examined in the present chapter. These hypotheses are:

First: Promotion has an incentive effect on workers.

Second: There are significant differences between workers' and management perceptions of the most important factor in identifying workers for promotion.

Third: There are no significant differences among workers with regard to their interest in being promoted.

Fourth: There are no significant differences among workers with regard to their perceptions of their chances of promotion.

### Wage Grade changes and Promotion to Higher Jobs

The important point to start with is that, in practice, increases in workers' wages, and changes in their responsibilities do not necessarily occur together. For a worker's wage is related to his wage grade, which could be changed without changing his responsibilities. On the other hand, a worker's job may be changed without getting increase in his pay,

because his current wage grade has not been changed. For instance, a group of machine operators may be moved from the sixth to the fifth wage grade, but stay in the same job. Later, when a higher job becomes vacant, one of them could be promoted to that job without changing his wage grade, which means getting the same wage. As a result, in our discussion we shall use two terms: (1) 'wage grade change' to mean that a worker's wage grade only was changed but his responsibilities were not changed, and (2) 'promotion to a higher job' to mean that a worker's responsibilities were changed without changing his wage grade.

Not surprisingly, both workers and management pay more attention to moving workers to higher wage grades than changes in responsibilities. For the former affects workers' earnings, while the latter may have no effect on workers' earnings. Because of that, several persons are involved in making the decisions regarding wage grade changes, as noted below. On the other hand, selecting workers for promotion to higher jobs, according to vacancies, is usually performed by the department manager with advice from the sections manager. They then send a formal letter to the personnel department to inform them of the change<sup>(1)</sup>.

We depend on the data obtained from the records of the company to examine wage grade changes. But because no systematic data existed in the records of the company with regard to promotion to higher jobs, we depend on our survey to explore this aspect.

#### Wage grade changes:

Decisions to move workers to higher wage grades were made three times during the last seven years. These decisions were made in the years 1977, 1979 and 1981. The tendency in the company is to make such decisions



every two years, so that the available vacancies as a result of retirement or any other reason are sufficient to the needed effort. The process starts by identifying the workers who are eligible for the existing vacancies. This is usually performed by the plant manager with the department manager. They prepare a list including all workers who have the right to be moved to a higher wage grade according to the requirements of the public sector labour law. These requirements are length of service, and a worker's rating in performance appraisal should be 'excellent' in two consecutive years<sup>(2)</sup>. On the same list, the plant manager recommends the worker(s) whom he thinks are the best to be moved to the higher wage grades.

All the lists are submitted to a 'promotion committee', who make the final decisions on the workers who will be moved to the higher wage grades. This committee is usually composed of: (1) the head of the company administration, (2) the manager of the subgroup of factories where particular vacancies are being considered<sup>(3)</sup>, the manager of the legal department, (4) a member of the board of directors, (5) the leader of the union or a representative, and (6) the manager of the factory where particular vacancies are being considered<sup>(4)</sup>.

After 'promotion committee' decisions are announced, workers have the right to complain within fifteen days. A 'promotion complaints committee' is set up to examine workers' complaints. The members of this committee are usually the members of the first committee<sup>(5)</sup>. While the first committee completes its task within two months, the second committee takes more than a year. For example, workers' complaints about the committee decisions in December 1981, were being examined till June 1983<sup>(6)</sup>. The reason could be that, the workers who complain may have the right to be moved to higher wage grades. Therefore, the second

committee do not find their task easy, especially if there are no vacant wage grades.

To explore the chances available for production workers to be moved to a higher wage grade, we take for example wage grade four, £E 396-1212 according to Law 31, 1983<sup>(7)</sup>.

The company records showed that 204 out of 10,675 people, about 2 percent, in wage grade five, were moved to wage grade four in 1981<sup>(8)</sup>. The company tends, as noted before, to move people to higher grades every two years. This means that about 1 percent per annum have the chance to be moved from wage grade five to wage grade four. . .

Another interesting finding is that only 9 out of the 204 people, who were moved to wage grade four, got increases in their wages as a result of being moved to a higher wage grade<sup>(9)</sup>. According to the wages and salary structure there is, as noted in chapter 6, a wide overlap between the starting of each wage grade and the maximum pay for the lower wage grade<sup>(10)</sup>. Because of that, a worker may be moved to a higher wage grade but get no increase in his wage, which could be higher than the starting of the higher wage grade to which he was moved.

#### Promotion to Higher Jobs:

We depend on our survey to demonstrate promotion to higher jobs, i.e. changes in responsibilities. During the fieldwork we made it clear to our respondents that we meant by 'promotion' changes in responsibilities and not 'wage grade change'.

The responses revealed that 41 percent of our workers were promoted to jobs with different responsibilities. In order to test for the effects of some variables on workers' promotion, we used the analysis of variance. The independent variables in the equation are: education, hometown, occupation, and length of service as covariate. We entered hometown because 'having friends or relatives in the company' was mentioned by workers as an important reason for working with the company<sup>(11)</sup>. The results of ANOVA are reported in the following table:

TABLE 8/1

The Effect of Some Variables on Workers' Promotion

Source of Variation	Sum of Squares	Significance of F
Covariates	2.649	0.000
Length of service	2.649	0.000
Main Effects	2.166	0.134
Occupation	1.023	0.072
Education	0.467	0.489
Hometown	0.615	0.209
Two-way interactions	2.964	0.496
Occupation            Education	0.785	0.664
Occupation            Hometown	0.228	0.879
Education            Hometown	1.848	0.148
Explained	14.991	0.000
Residual	33.734	
Total	48.725	



As can be seen from the table, the equation is significant at the 1 percent level and it explains 31 percent of the total variance. Length of service has significant effect on workers' promotion, at the 1 percent level, and occupation has significant effect at the 10 percent level.

When we cross-tabulated length of service by 'whether workers have been promoted', we found that the percentage of workers who have been promoted increases with length of service till 30 years then decreases<sup>(12)</sup>. This could be because a higher percentage of older workers are illiterate. For example, while 28 percent of workers aged less than 30 years are illiterate, 79 percent of workers aged between 40 and 49 are illiterate<sup>(13)</sup>. Those illiterate workers cannot read production orders or fill in the forms needed at work. Hence, it is more difficult for those illiterate workers to be promoted.

Cross-tabulating 'whether workers were promoted' by occupation showed that the percentage of auxiliary workers who were promoted is less than the percentages of both machine operators and maintenance workers<sup>(14)</sup>. This is expected, because auxiliary workers' length of service is less than the length of service of both machine operators and maintenance workers. And as noted above, length of service has a significant effect on workers' promotion.

As table 8/1 shows, the effect of education on 'whether workers have been promoted' is not significant. This could be because our analysis did not include production workers who were promoted to the supervisory level<sup>(15)</sup>. This truncation of the sample might have depressed the effect of education on promoting workers to higher jobs.

We also asked workers who were promoted about the number of times they have been promoted. The responses reveal that 59 percent of our workers have never been promoted, 34 percent have been promoted once, and 7 percent have been promoted twice<sup>(16)</sup>.

In order to test for the effects of some variables on the 'number of times of promotion', we used the analysis of variance. The independent

variables are: education, occupation, hometown, and length of service as covariate. The following table shows the results of the analysis:

TABLE 8/2

The Effects of Some Variables on the Number of Times of Workers' Promotion

Source of variation	Sum of Squares	Significance of F
Covariates	5.317	0.000
Length of service	5.317	0.000
Main Effects	3.684	0.092
Occupation	1.926	0.040
Education	1.240	0.240
Hometown	0.731	0.291
Two-way Interactions	5.213	0.350
Occupation          Education	1.666	0.464
Occupation          Hometown	0.274	0.919
Education          Hometown	2.959	0.129
Explained	30.522	0.000
Residual	51.696	
Total	82.218	

We can see from the table that the equation is significant at the 1 percent level, and it explains 37 percent of the total variance. Length of service has a significant effect at the 1 percent level, and occupation effect is significant at the 5 percent level.

The responses reveal that 'number of times of workers promotion' increases with length of service. For example, none of the workers with 10 years or less was promoted twice, while about 16 percent of the workers with 21 to 30 years of service were promoted twice<sup>(17)</sup>.

Cross-tabulating 'number of times of promotion' by occupation shows that only 1 out of 117 machine operators was promoted twice, 2 out of 34 auxiliary workers were promoted twice, but 20 percent (N=10) of maintenance workers were promoted twice<sup>(18)</sup>. This result is not surprising, for some maintenance workers may have started as auxiliary workers, and were transferred to machine operators.

As noted above, 2 auxiliary workers were promoted twice. It may be wondered, how a worker can be promoted twice and still be an auxiliary worker. This is because some machine operators become unable to exert the needed effort when they get older. But the company cannot fire them or ask them to retire early. Therefore, the company management transfer such workers to an easy job, such as collecting empty cones. Those two auxiliary workers who were promoted twice, are of those old workers who were promoted before, but because of ageing they were transferred to easier jobs.

To summarise, changes in workers' responsibilities are not necessarily related to wage grade changes. The data obtained from the records of the company showed that the chances for moving workers from wage grade 5 to wage grade 4 is about 1 percent per annum. On the other hand, 59 percent of our workers have never been promoted. And among the other 41 percent, 34 percent were promoted once. These results indicate that both 'wage grade change' and 'promotion to higher jobs' are limited in the company.



### Perceptions of the Importance and Chances of Promotion in the Company:

As noted before, there are wide overlaps in the company wages and salary structure. As a result, a worker can stay in the same wage grade for a long time before reaching the maximum of that wage grade. For example, a worker can spend about 20 years before reaching the maximum of wage grade five<sup>(19)</sup>. Because of that, we thought it would be more interesting to focus in our survey on 'promotion to higher jobs', ie., changes in workers' responsibilities rather than on 'wage grade changes'. Therefore, our following analysis is about promoting workers to jobs with different responsibilities.

In order to avoid confusing 'wage grade changes' with 'promotion to higher jobs', we told every interviewee before talking about this section in the questionnaire that we meant the latter not the first changes. In the following analysis we use the term 'promotion' to mean changes in workers' responsibilities.

### Workers' Interest in being Promoted :

Workers were asked about their interest in being promoted to jobs with different responsibilities. We also asked management about their perceptions of workers' interest in promotion. In chapter 5 while management ranked promotion third in importance to workers, workers ranked it sixth, ie. the least important job-related characteristic<sup>(20)</sup>. The results obtained here confirm the previous results. For management think that workers are interested in being promoted more than the workers themselves said, as the following table shows:

TABLE 8/3

Workers' and Management Perceptions of Workers Interest in being Promoted

Occupation	Workers		Foremen & Supervisors		Higher levels of management		Total	
Interested	N	%	N	%	N	%	N	%
Not at all	91	45.3	13	15.1	6	9.4	110	31.3
Not much	30	14.9	16	18.6	11	17.2	57	16.3
Very much	80	39.8	57	66.3	47	73.4	184	52.4
Total	201	100	86	100	64	100	351	100

Note  $\chi^2 = 44.723$ 

P &lt; .01

In order to examine the effects of some variables on workers' interest in being promoted, we used the analysis of variance. The independent variables in the equation are: education, occupation, hometown, and length of service as covariate<sup>(21)</sup>. The results are presented in the following table:

TABLE 8/4

The Effects of some Variables on Workers' Interest in being Promoted

Source of variation	Sum of Squares	Significance of F
Covariates	0.278	0.542
Length of service	0.278	0.542
Main Effects	15.447	0.006
Occupation	0.820	0.578
Education	9.517	0.006
Hometown	0.562	0.687
Two-way interaction	6.861	0.900
Occupation            Education	2.725	0.723
Occupation            Hometown	0.250	0.987
Education            Hometown	1.605	0.904
Explained	39.155	0.002
Residual	131.24	
Total	170.397	

As can be seen from the table, the equation is significant at the 1 percent level, and explains 23 percent of the total variance in workers' interest in being promoted. The table also shows that education is the only variable which has a significant effect, at the 1 percent level.

Cross-tabulating workers' interest in being promoted by education shows that a higher percentage of more educated workers are interested in being promoted. For example, while about 27 percent of illiterate workers said that they were very much interested in being promoted, about 70 percent of workers with preparatory education, and 82 percent of workers with secondary education were very much interested in being promoted<sup>(22)</sup>.



Some workers were interested in being promoted, because this meant to them leaving the machines to become maintenance workers. Maintenance work had two advantages for those workers; (1) less effort needed, and (2) an opportunity to acquire skills which help them to have a second job with higher earnings in the private sector. Other workers were also interested in promotion because they thought it would help them to reach higher positions in a shorter time.

On the other hand some workers did not like the idea of being promoted to higher jobs, because it meant to them more responsibilities, with no or not a considerable increase in wages. The following are typical of those workers' comments:

"I wouldn't like to be a foreman, it is not an easy job. When the work is good, it is higher levels success! But if there are problems, the foreman is responsible".

"The foreman nowadays is ground between two millstones; management asking for production and shortage of labour".

"Yesterday one of the auxiliary workers did not turn up. Our foreman was helping the other auxiliary worker. He was working with him, bringing empty cones and collecting full ones".

Some other workers were not interested in promotion, because they thought it is difficult to be promoted. As one worker put it:

"I have no hope at all of being promoted. I see people who have been here for more than 20 years in the same job. I expect to stay in my job till retirement or death"

### Chances of Workers' Promotion:

We asked both workers and management about the chances of workers' promotion. The two groups agreed together that the chances are hopeless or poor, as the following table shows:

TABLE 8/5

### Workers and Management Perceptions of the Chances of Workers' Promotion

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Chances	N	%	N	%	N	%	N	%
Hopeless	94	47.0	7	8.2	9	14.0	110	31.5
Poor	77	38.5	69	81.2	49	76.6	195	55.9
Average	22	11.0	8	9.4	6	9.4	36	10.3
Good	7	3.5	1	1.2	0	0	8	2.3
Total	200	100	85	100	64	100	349	100

Note  $\chi^2 = 64.877$

$P < .01$

In order to test for the effects of some variables on workers' perceptions of the chances of promotion, we used the analysis of variance. The independent variables in the equation are: education, occupation, hometown, and length of service as covariate<sup>(23)</sup>. As can be seen from table 8/6, the equation is significant at the 1 percent level and it explains 28.8 percent of the total variance. Education, occupation, and the interaction term between education and occupation have a significant effect on workers' perceptions of their chances of promotion.

TABLE 8/6

The Effects of some Variables on Workers' Perceptions of Chances of Promotion

Source of variation	Sum of Squares	Significance of F
Covariates	0.001	0.962
Length of service	0.001	0.962
Main effects	12.672	0.002
Occupation	5.100	0.008
Education	3.809	0.065
Hometown	2.072	0.138
Two-way Interaction	10.510	0.221
Occupation Education	7.436	0.030
Occupation Hometown	3.318	0.176
Education Hometown	5.525	0.106
Explained	36.633	0.000
Residual	90.546	
Total	127.179	

The responses reveal that a higher percentage of maintenance workers said that they have good or average chances of promotion, than auxiliary workers and machine operators<sup>(24)</sup>. With regard to education, workers' perceptions of the chances of promotion improve as their level of education increases<sup>(25)</sup>. The significance of the interaction effect of occupation and education is due to the fact that most maintenance workers are more educated than auxiliary workers and machine operators. For example, 44 percent of maintenance workers have a secondary certificate<sup>(26)</sup>.

Moreover, we asked the workers whether they expect to be doing the same job after 5 years<sup>(27)</sup>. While 53 percent said 'yes', 47 said 'no'. We asked the two groups, why? Not surprisingly 49 percent of the workers said that they expect to be doing the same job because they do not see any possibility of being promoted.



On the other hand, 31 percent of the workers said that they will not be doing the same job after five years because they will leave the company<sup>(28)</sup>. The responses reveal that a lower percentage of secondary graduates said that they will leave the company<sup>(29)</sup>. This could be because this group's expectations of being promoted is, as noted before, higher than the expectations of workers with lower levels of education.

#### Factors Used in Identifying Workers for Promotion:

We first asked both workers and management whether the company has a promotion policy. A higher percentage of management answered in the affirmative, 69 percent of management and one third of the workers. As might be expected, the percentage of workers who said that the company has a promotion policy increases with level of education<sup>(30)</sup>. This could be because higher educated workers are more interested in promotion, and they think that they have better chances for promotion than illiterate workers, as noted before.

Startingly, when we asked the workers and management about the contents of promotion policy, 77 percent of foremen and supervisors, and 64 percent of the higher levels of management said that they do not know. In this case it is not surprising that 90 percent of the workers also said that they do not know the contents of promotion policy<sup>(31)</sup>.

We asked both workers and management about the factors which were used in identifying workers for promotion. Four factors were mentioned by workers and management. These factors are: (1) competence in work, 39 percent of management responses and 35 percent of workers' responses, (2) length of service, 35 percent of management responses and 30 percent

of workers responses, (3) education, 21 percent of management responses and 11 percent of workers' responses, and (4) relations with management, 5 percent of management responses and 24 percent of workers' responses.

In order to examine workers' and management perceptions more closely, we asked them: what is the most important factor in identifying workers for promotion? The responses indicate that a higher percentage of the workers thought that relations with management was the most important factor, 40 percent of the workers, 11 percent of foremen and supervisors, and 3 out of 64 higher levels of management<sup>(32)</sup>.

Moreover, some workers thought that some of their fellow workers bribe their managers in order to promote them to easier jobs. The following are typical of the comments given by those workers:

"To be promoted you have to know somebody, or pay somebody. My children need <sup>the</sup> money which I have to pay to be promoted, say thirty pounds!"

"To be promoted you should know their houses, visit them with some vegetables or fruits if you are a farmer!"

On the other hand, supervisors and managers, who selected relation as the most important factor, said that if there are two workers who are equal in all other factors, they prefer the one who is more polite. The reason, as they said, is that it is unfair to promote a trouble-maker and leave another who concentrates only on his work. Therefore, those supervisors and managers, although they are small in number, use promotion as a means of motivation and control over their workers.

As noted before, higher educated workers considered their chances of promotion better than other workers. This is also reflected in management replies, as 44 percent of foremen and supervisors, and 47 percent of the higher levels of management, said that education is the most important factor in identifying workers for promotion<sup>(33)</sup>.

Management said that the purpose of giving educated workers priority in promotion is to encourage them to continue with the company, for the turnover among technicians is higher than among other production workers<sup>(34)</sup>.



## CONCLUSION

Our results reveal that promoting a worker to a higher job with different responsibilities does not necessarily mean getting a higher wage. For wage grade changes are not related to changes in responsibilities.

At the same time, chances for wage grade changes and changes in responsibilities are limited in the company. Only about 1 percent per annum had the chance to be moved from wage grade 5 to wage grade 4 in 1981. Moreover, because of the overlaps in wages and salary structure, workers may be moved to higher wage grades without getting an increase in their wages. Therefore, our first hypothesis that promotion has an incentive effect on workers in the company is not supported.

The second hypothesis is confirmed. For a higher percentage of management considered education the most important factor in identifying workers for promotion. On the other hand, workers thought that relations with management are more important.

Perhaps, not surprisingly, nearly half of the workers interviewed were not interested in promotion, either because they thought it is impossible, or because promotion meant to them more effort or more responsibility with no, or an insignificant, increase in their wages. Other workers were interested in promotion because it meant to them less effort or a better career. These results indicate that our third hypothesis is not supported by our findings.

Higher educated workers thought that they had better chances for promotion. Management responses revealed that educated workers are given higher

priority in promotion decisions, in order to encourage them to continue with the company. Therefore, the fourth hypothesis also is not supported by our findings.

# REFERENCES

- (1) ESCO, personal interviews with personnel department managers, department managers, and plant managers, 1983.
- (2) Egypt, Law No 48, 1978, clause 33.
- (3) The subgroups are; cotton spinning, cotton weaving, cotton dyeing and finishing, wool, and rayon factory.
- (4) ESCO, personnel department, promotion records, 1981.
- (5) Ibid.
- (6) ESCO, personnel interview with the head of the administrative staff, 1983.
- (7) We selected wage grade four because most production workers are on grade five, and because the company does not have a good record system, we had to spend a long time collecting the figures for only wage grade four. Therefore, we were not able to collect data about other wage grades, because of limitations of time.
- (8) ESCO, personnel department records, 1981.
- (9) Ibid.
- (10) See Appendix (1), table (24).
- (11) See table 5/1.
- (12) Appendix (1), table (34).
- (13) Appendix (1), table (35).
- (14) Appendix (1), table (37).
- (15) In our survey we did not ask foremen, supervisors, and managers about their promotion. The focus was on workers' promotion.
- (16) Appendix (1), table (38).
- (17) Appendix (1), table (39).
- (18) Appendix (1), table (38).
- (19) See Appendix (1), table (24).
- (20) See table 5/2.



- (21) We used the same equation to examine management perceptions of workers' interest in being promoted but the result was not significant.
- (22) Appendix (1), table (44).
- (23) We used the same equation to examine management perceptions of workers' chances of promotion but the result was not significant.
- (24) Appendix (1), table (45).
- (25) Appendix (1), table (46).
- (26) Note.22 out of 50.
- (27) We used the analysis of variance to test for the effects of some variables on workers responses, but the result was insignificant. These variables were: education, occupation, marital status and earnings as covariate.
- (28) 'Intent to leave' will be discussed in detail in chapter 11.
- (29) Appendix (1), table (48).
- (30) Appendix (1), table (40).
- (31) Appendix (1), table (41).
- (32) Appendix (1), table (42).
- (33) Ibid.
- (34) See table 11/5.

## CHAPTER NINE

### THE EFFECTIVENESS OF PERFORMANCE APPRAISAL IN THE COMPANY

In a bureaucratic mode management depend on a structure of rewards and sanctions for control purposes, as noted before. In order to motivate performance, management decisions regarding rewards and sanctions should be seen to be based on workers' performance. Performance appraisal is a means of (1) establishing a basis for an instrumental relationship between performance and rewards, and (2) it is also a symbolic and ideological assessment of management's belief in the importance of that relationship.

Our purpose in this chapter is to establish whether performance appraisal is effectively used in the company as a basis for management decisions regarding rewards and sanctions. First, we examine the clarity of the appraisal system to both workers and management, and how it actually works in practice. Next, we examine workers' and management perceptions of the fairness of the appraisal system.

Three hypotheses will be examined in the present chapter. These hypotheses are:

First: Workers understand how the appraisal system works in the company.

Second: Workers consider the appraisal system in the company to be fair.

Third: Management consider the appraisal system in the company an effective control device.

### Clarity of the Appraisal System and how it works:

By Law, workers' appraisal should be performed four times per year<sup>(1)</sup>. In ESCO, workers' appraisal is performed every three months. The average of the four times is considered a workers' appraisal for the year<sup>(2)</sup>.

Regarding the factors used in the appraisal, the appraisal form is divided into two parts. The first part includes four factors: (1) amount of work, (2) quality of production, (3) co-operation, and (4) behaviour. This part is to be filled in by department management. The second part includes: (1) time-keeping, and (2) days of absence. This part is to be completed by personnel department staff in each plant<sup>(3)</sup>. After completing appraisal forms they are sent to the performance appraisal section in the main personnel department.

According to the company policy, appraisal should be performed by a worker's immediate supervisors. If a worker's appraisal is either poor or excellent, the form should be signed by the department manager.

Workers who are rated poor in performance appraisal should be informed. This is done by the appraisal section in the main personnel department<sup>(4)</sup>. Workers have the right to appeal within twenty days of being informed. A committee is set up to examine workers' appeals. This committee is composed of three members who have not participated in the appraisal process, and a representative from the union.

With regard to the purpose of performance appraisal, the law states that a worker whose rating is 'poor' gets half of the annual increment, and



must not be promoted the following year<sup>(5)</sup>. Workers whose rating is 'excellent' get a letter of commendation from the company chairman, and their names can be announced in the company bulletin<sup>(6)</sup>.

In order to examine workers' and management understanding of the appraisal system, we first asked them about the purpose of workers' appraisal. Workers' responses reveal that 29 percent of our workers do not know the purpose of appraisal. Regarding management, 7 out of 86 foremen and supervisors, and 3 out of 64 higher levels of management said that they do not know the purpose of appraisal; 8 percent and 5 percent respectively<sup>(7)</sup>.

The responses of workers and management who said that they know the purpose of appraisal show that it is used only for annual increment and promotion decisions<sup>(8)</sup>. This means that they think that appraisal is used in the company for judgmental rather than developmental purposes. We also asked our interviewees about the number of times of performing appraisal per year. While 32 percent of the workers said that they do not know, 7 out of 86 foremen and supervisors ( 8 percent) and 1 out of 64 higher level of management said that they do not know<sup>(9)</sup>. Although the company policy states that appraisal should be performed ~~four~~ times per year, a high percentage of workers, foremen and supervisors, and higher levels of management said that it is done once or twice per year (62 percent, 66 percent, and 67 percent respectively)<sup>(10)</sup>.

There are, as noted before, two appraisal forms for the year; each form is for six months and is divided into two periods to be filled in at different times. But managers said that they usually fill in the form for the two

periods at one time. Moreover, some managers said that sometimes the appraisal section send the forms for all the year to be filled in before the annual increment decisions, which should be made not later than June. The annual increment is awarded in July every year.

Workers and management were also asked about the supervisors' role in the appraisal process. The responses reveal that 39 percent of the workers, 44 percent of foremen and supervisors, and 27 percent of the higher levels of management said that appraisal is performed by supervisors<sup>(11)</sup>. As can be seen, a higher percentage of foremen and supervisors than the higher levels of management said that supervisors do workers' appraisal. This difference could be because in some sections the supervisor fills in the form and the section or sections manager signs it. Because of this, higher percentages of the higher levels of management considered appraisal their responsibility, as they sign the form.

Furthermore, we asked our informants whether they know the factors used in performance appraisal. A lower percentage of workers than foremen and supervisors, and the higher levels of management answered in affirmative, as the following table shows:

TABLE 9/1

Whether Workers and Management Know the Factors used in Appraisal

Occupation	Workers		Foremen & Supervisors		Higher Levels of Management		Total	
	N	%	N	%	N	%	N	%
Know								
Yes	101	50.2	60	69.8	54	84.4	215	61.3
No	100	49.8	26	30.2	10	15.6	136	38.7
Total	201	100	86	100	64	100	351	100

Note  $\chi^2 = 27.299$

$P < .01$

Both workers and management who said that they know the factors used in workers' appraisal were asked: 'What are these factors?' Management responses show that the factors are: behaviour, days of absence, and effort at work (35 percent of the responses, 35 percent and 19 percent respectively). Workers, on the other hand, said that the important factors are: behaviour, effort at work, and absence (37 percent of the responses, 30 percent and 29 percent respectively). Comparing these factors with the factors which are actually used suggests that both workers and management have a good idea about appraisal factors<sup>(12)</sup>.

To sum up, our results suggest that appraisal is used in the company for judgmental purposes. Workers are not involved in the process. Only workers who are rated 'poor' are informed in order to be able to appeal, as stated by the law<sup>(13)</sup>. Workers are informed by a formal letter signed by the head of the administrative staff, without involving the supervisory staff at all.

Moreover, the company is not concerned about training supervisors or section managers on the appraisal task. The supervisory staff do not have any records for appraisal purposes, but depend completely on their memory. All these shortcomings are expected to affect workers' perceptions of the fairness and the importance of appraisal. This is what we try to explore in the next section.

#### Workers' and Management Perceptions of the Fairness and Importance of Appraisal

We started by asking our interviewees about the opinions with respect to the openness of appraisal. Workers' responses reveal that, 56 percent agreed on the openness, 33 percent did not agree and 11 percent said that it makes



no difference whether it is secret or open. Management, on the other hand, 51 percent agreed on the openness, 37 percent did not agree, and 12 percent said it makes no difference. Those who did not agree on openness or secrecy of appraisal said that this is because appraisal is unfair, as will be demonstrated below.

We asked both workers and management why they agree on the openness. Three reasons were given. First, 'so that workers know the reasons for being rated at a lower level and try to change their behaviour' (48 percent of workers' responses <sup>and</sup> 69 percent of management responses). Second, 'to give workers who are dissatisfied with their rating a chance to appeal' (29 percent of workers' responses and 11 percent of management responses). Third, 'so that workers improve their performance' (21 percent of workers' responses and 11 percent of management responses).

Startingly, all the respondents, of both workers and management, who did not agree on the openness of appraisal gave one reason. That is, 'to avoid problems with workers or among workers'. They said that most workers will not be satisfied with their rating, which will create problems at the workplace. Therefore, they think it is better that appraisal rating be secret.

An interesting result was obtained when we asked our informants, both workers and management, whether appraisal in the company is fair. A higher percentage of the higher levels of management than both workers and foremen and supervisors said that appraisal is unfair (69 percent, 37 percent and 41 percent respectively) <sup>(14)</sup>. We asked them why appraisal is unfair.

Management gave two reasons: (1) 'management help poor performers in order



to get their annual increment' (34 percent of foremen and supervisors and 56 percent of the higher levels), and (2) 'appraisal is done without attention (6 out of 86 foremen and supervisors and 8 out of 64 interviewees - about 13 percent - of the higher levels). Workers, on the other hand, gave two reasons: (1) 'appraisal is based on relations (21 percent of workers), and (2) 'management help poor performers' (14 percent of workers) (15).

As can be seen a lower percentage of workers said that 'management help poor performers'. But we think that management responses with regard to this point represent the reality, for two reasons: (1) not all workers who were helped by management in order to get their annual increment admit that, and (2) management knows what actually happens.

The data obtained from the records of the company suggests that there is a leniency error in the results of the appraisal, as the following table shows:

TABLE 9/2

Distribution of Ratings given to Workers in 1980-1982 (16)

Year Ratings (17)	1980		1980/81		1981/82	
	N	%	N	%	N	%
Excellent	3983	24	3905	24.6	3442	22.4
Satisfactory	12354	74.3	11889	74.9	11869	77.3
Poor	279	1.7	78	0.5	39	0.3
Total	16616	100	15872	100	15350	100

As can be seen from the table, while more than 22 percent are placed in the upper half, less than 2 percent are rated in the lower half. At the same time, approximately three quarters are rated satisfactory every year. The following are typical of management comments on the fairness of the appraisal:

"If a worker deserves to be rated poor, I find it difficult to do so, because this means that the worker will lose half of his annual increment while his wage is actually low"

"Since I joined this section, nine years ago, only one worker was rated poor because he argued with the plant manager".

"If a worker is going to lose more points because of absence, we usually give him higher points in the other factors, so that he can get his annual increment".

"Frankly, I start by stating the total points; following that, I divide that total among the different factors in the appraisal form".

"If a worker is rated poor, the personnel office return the form to us to add some points, so that the worker does not lose half of his annual increment".

Furthermore, we asked our respondents whether appraisal is important. A higher percentage of the higher levels of management also said that appraisal is not important, than supervisors and workers; 50 percent, 33 percent and 31 percent respectively. This could be because, as mentioned previously, a higher percentage of the higher levels said that appraisal is unfair. This was confirmed when we asked workers and management why they said that appraisal is not important. The important

reason mentioned by both workers and management is that appraisal does not affect poor performers, and there is no advantages for good performers. The following table shows the different reasons mentioned by workers and management:

TABLE 9/3

Reasons mentioned by Workers and Management for the Unimportance of Appraisal

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Reasons	N	%	N	%	N	%	N	%
- No advantages to good performers	23	11.4	2	2.3	4	6.2	29	8.3
- Poor performers are not affected	1	0.5	1	1.2	3	4.7	5	1.4
- Neither poor performers nor good performers are affected	29	14.4	21	24.4	24	37.5	74	21.0
- Workers do not know the results of the appraisal	9	4.5	4	4.7	1	1.6	14	4.0
- Appraisal is important	109	54.3	54	62.8	31	48.4	194	55.3
- Do not know	30	14.9	4	4.6	1	1.6	35	10.0
Total	201	100	86	100	64	100	351	100

Note  $\chi^2 = 39.885$

$P < .01$

In summary, performance appraisal practices in the company have different shortcomings. The factors used in the appraisal are vague and subjective. Workers are not involved in the process, and only workers who are rated poor can appeal in writing to an 'appraisal appeals committee'. Supervisors or section managers do not conduct any kind of discussions with workers

regarding their appraisal. Supervisors or section managers have not been trained on how to perform the appraisal task, but have learned by experience how to 'fill in the form'. The data indicates that managers take the more comfortable way and rate most workers satisfactory.



## CONCLUSION

Our findings indicate that there is no link between appraisal and rewards and sanctions. It could be argued that appraisal affects promotion and the annual increment, but this is not true. With respect to promotion, while over 20 percent of the workers receive 'excellent', the chances of promotion in the company are limited. For example, about 1 percent per annum of workers in wage grade 5 have a chance to be moved to wage grade 4. Regarding the annual increment, a worker is rated 'poor', hence, is awarded half of the annual increment only if he has been charged with a serious offence, such as theft.

Higher percentages of both workers and management considered appraisal unfair. This can be interpreted in the light of Gouldner's 'Mock Bureaucracy' type<sup>(18)</sup>. The law sets out rules for appraisal, but they are not enforced by management. Workers, on the other hand, know that they will not be rated poor unless they commit a serious offence. Therefore appraisal is not an effective control device in the company. Perhaps it could become effective if it is changed from 'Mock Bureaucracy', to Gouldner's other type 'Punishment-Centred Bureaucracy'<sup>(19)</sup>. In this case, workers should know that management will punish them for misconduct through appraisal. This change could be a part of a whole programme for reform, as discussed in chapter 13.

Since workers understand how the appraisal system works in the company, our first hypothesis is confirmed. The second hypothesis is not supported, as a higher percentage of workers considered appraisal to be unfair. The last hypothesis also is not supported because appraisal is not effective as a control device in the company.

# REFERENCES

- (1) Egypt, Law 48, 1978, Clause 24.
- (2) ESCO, personal interview with the manager of performance appraisal section, the main personnel department, 1983.
- (3) Appendix (1), Forms (1) and (2). One appraisal form is used for six months, and should be filled in at two times, ie, every three months.
- (4) Appendix (1), Form (3).
- (5) Egypt, Law 48, 1978, Clause 30.
- (6) Ibid, clause 27.
- (7) Appendix (1), table (49).
- (8) Ibid.
- (9) Appendix (1), table (50).
- (10) Ibid.
- (11) Appendix (1), table (51).
- (12) See Appendix (1), Form (1).
- (13) Egypt, Law 48, 1978, clause 25.
- (14) Appendix (1), table (52).
- (15) Appendix (1), table (53).
- (16) ESCO, Performance appraisal section records, 1980-1983.
- (17) For more details see appendix (1), table (54).
- (18) According to Gouldner: "mock bureaucracy refers to the kind of social relations that emerge if the norms of the indulgency pattern are administratively implemented" (Gouldner, A W, Patterns of Industrial Bureaucracy, The Free Press of Glencoe, 1954, p 187).
- (19) Gouldner states that: "Punishment - Centered Bureaucracy' is distinguished from 'mock bureaucracy' in that responses to deviations take the form of punishment" (Gouldner, A W, op.cit., p 207).

## C H A P T E R      T E N

### THE EFFECTIVENESS OF DISCIPLINARY SANCTIONS IN THE COMPANY

The previous results indicate that length of service is the most important factor in wage determination, and that the scope for rewarding good performance either through the incentive scheme or through promotion is limited. Therefore, it might be expected that management would depend on discipline to control shop-floor workers, and to this we turn our attention in the present chapter.

Our purpose is to examine the effectiveness of disciplinary sanctions in the company as another managerial tool for labour control. To fulfil this purpose, we shall first demonstrate management approach to discipline in the company. Second, we examine workers' understanding of the disciplinary rules and procedures. Third, we explore workers' and management perceptions of the <sup>disciplinary</sup> appraisal system as it works.

In this chapter, we shall examine the following hypotheses :

- FIRST : Discipline is used in the company in a punitive rather than corrective manner.
- SECOND : Workers believe that sanctions are significant.
- THIRD : Management view discipline as an effective means of control over workers.

#### Discipline Rules and Objective in the Company :

According to the Law No. 48 of 1978, if the penalty is not more than three days, the disciplinary action can be taken by the supervisory staff.<sup>(1)</sup> If more than that, the disciplinary action should be taken by the legal section.<sup>(2)</sup> With respect to serious offences,



such as fighting at the workplace, the security department is responsible for recording what has happened. A report about the case should be sent to the legal section. In cases for which more than three days' penalty is warranted, the offence should be discussed with the offender by the legal section. The offender can name others to give witness on his behalf.<sup>(3)</sup>

The Law also states that a worker should not be suspended more than six months per year, and gets only half of his wage during that period.<sup>(4)</sup> Also, a worker should not be unpaid because of disciplinary actions more than five days per month.<sup>(5)</sup>

With regard to the grievance procedures, the law states that workers can complain to the Chairman of the company within 15 days of being penalized. The latter examines the complaint and takes a decision. The penalties given by the Chairman of the company can be examined by a committee composed of three members, one of them from the workers' union board. This committee is set up by the company board of directors, if workers complain about the penalties given by the Chairman of the company.<sup>(6)</sup>

According to the Law<sup>(7)</sup> the board of directors of each company should determine the offences and the penalties, in accordance with Law No. 117 of 1958, regarding administrative courts.<sup>(8)</sup>

Our first purpose was to examine management perceptions of the functions of discipline in the company. We asked them : 'What do you think is the primary function of discipline in the company?' The responses indicate that management thought that the function

of discipline in the company is :

- (1) for fear of breaking the rules again, 55 per cent of management
- (2) punishment for breaking rules, 25 per cent, and
- (3) to protect the company property, 17 per cent. <sup>(9)</sup>

Following that, we asked management whether discipline is a sanction of last resort. The majority answered in the affirmative, 91 per cent of foremen and supervisors, and 86 per cent of the higher levels of management. They gave three reasons for considering discipline a sanction of last resort :

- (1) when a worker is given a chance, he may change his behaviour, 36 per cent of the responses
- (2) disciplinary actions affect workers' earnings, 34 per cent of the responses, and
- (3) discipline has negative effects on a worker's performance, 24 per cent of the responses. <sup>(10)</sup>

This result could be related to a previous result. That is, management agreed that workers earnings are low. At the same time, the incentive element in workers' earnings is low. Therefore, management think that penalizing workers will affect their desire to work. As one supervisor put it :

"The most important factor to workers is wage. If you cut any part of it because of discipline, the worker won't work the rest of the day. He may even say bad words to the person who penalized him."

The other group, who said that discipline is not a sanction of last resort, gave two reasons for that. First, workers may feel that there is acceptance of the offence, 9 interviewees out of 150. Second, immediate discipline is important to protect the company

property, 7 out of 150 respondents.

To examine the management approach to discipline more closely, we asked an indirect question. Foremen, supervisors and managers were asked whether they agreed or disagreed that a supervisor's basic task is to ensure cooperation, and make workers feel that they are useful. The responses reveal that while only 11 per cent of foremen and supervisors agreed, 39 per cent of the higher levels of management agreed with the statement.<sup>(11)</sup> To examine the effects of length of service, education, occupation and home-town on management perceptions of supervisors basic task, we used the analysis of variance with regression approach. The results are presented in the following table:

TABLE 10/1

THE EFFECT OF SOME VARIABLES ON PERCEPTIONS

OF WHETHER SUPERVISORS' BASIC TASK IS TO ENSURE COOPERATION AMONG WORKERS

Source of variation	Sum of Squares	Significance of F
Covariates	0.069	0.507
Length of service	0.069	0.507
Main Effects	3.597	0.003
Occupation	2.606	0.000
Education	0.404	0.630
Home town	0.066	0.810
Explained	3.744	0.004
Residual	21.995	
Total	25.149	



As can be seen from the table, the equation is significant at the .01 level. It explains 14.9 per cent of the total variance. Only occupation has a significant effect on the dependent variable, that is management perceptions of the supervisors' basic task. As mentioned previously, a higher percentage of the higher levels of management agree that the supervisors' basic task is to encourage cooperation among workers, than the percentage of supervisors.

To further examine this point, we asked supervisors and managers who did not agree that a supervisor's basic task is to encourage cooperation, why? Two reasons were mentioned:

- (1) a supervisor's basic task is to achieve the anticipated amount of production (41 per cent of foremen and supervisors, and 20 per cent of the higher levels of management), and
- (2) a supervisor's basic task is to solve any problem which affects the work in his section (48 per cent of foremen and supervisors, and 30 per cent of the higher levels of management).<sup>(12)</sup>

The previous responses suggest that supervisors are task oriented. The difference between foremen's and supervisors' perceptions, and the perceptions of the higher levels with regard to this point could be because of the lack of training in the company.<sup>(13)</sup> It may also mean that supervisors are realistic. Since workers are instrumentally oriented, as noted before, and are undisciplined, as demonstrated in this chapter, supervisors think that their basic task is rather to achieve the production plan.

On the other hand, we asked the workers whether they know the:

offences for which a disciplinary action can be taken. A large majority of the workers answered in the affirmative, 98 per cent. Workers who answered in the affirmative were asked to give some examples of the offences. The examples mentioned include : poor performance, unmannerly behaviour, absence from work, causing damage to company property, leaving the workplace without permission, and sleeping at the workplace.<sup>(14)</sup> Poor performance means, as the workers said, that the quality control staff found some faults in a worker's production which are not due to the machine or the material, but to the worker. Workers are fined for their faults according to a fixed rate including all the possible faults.<sup>(15)</sup> This applies especially to machine operators such as weavers.

When we asked workers how they had learned of these offences, the majority said by experience, 98 per cent. At the same time, we asked the workers whether they knew the penalty for each offence. Only 53 per cent said 'yes'. The majority of those workers said that they had learned of the penalties by experience, 99 per cent.

Related to discipline are the regulations for disputes over disciplinary actions. We asked the workers whether they knew the formal procedures of complaint. Most workers answered in the affirmative, 81 per cent. The procedures mentioned by workers are

- (1) to complain in writing to the legal section, 37 per cent of the responses,
- (2) to complain orally to section manager, 32 per cent, and
- (3) to complain in writing to sectionsmanager, 31 per cent.<sup>(16)</sup>

The majority of those workers said that they had learned these

procedures by experience, 96 per cent.

The previous responses indicate that discipline is used in the company in a punitive, rather than corrective manner. For the functions of discipline, as mentioned by management are : fear of breaking the rules, or punishment for breaking the rules. The majority of foremen and supervisors did not agree that their basic task was to ensure cooperation and made workers feel that they were useful. Many supervisors, when asked about the purpose of discipline, put it this way :

"Beat the one who is caught so that the threat reaches others." (17)

The responses also indicate that workers know the offences for which a disciplinary action can be taken. However, nearly half of them do not know the penalty of each offence. This could be because of the inconsistency of penalizing workers. The majority of the workers have learned the offences, the penalties, and the procedures of complaint by experience.

#### Practice and Perceptions of Discipline :

To examine workers and management perceptions of the disciplinary system, our first question was whether the system is easy-going, about right, or too strict. Not surprisingly, a higher percentage of management said that the system is easy-going, than of workers. It is expected that, although the system may be easy-going, the workers may not say so. Surprisingly, however, a higher percentage of both workers and management said that the system is easy-going than said it was about right or too strict, as the following table shows:



TABLE 10/2

WORKERS' AND MANAGEMENT PERCEPTIONS OF THE STRICTNESS  
OF THE DISCIPLINARY SYSTEM (18)

Occupation :	Workers		Supervisors & Foremen		Higher Levels		Total	
The System :	N	%	N	%	N	%	N	%
Easy-going	109	54.5	63	73.3	42	65.6	214	61.1
About right	54	27.0	16	18.6	15	23.5	85	24.3
Too strict	37	18.5	7	8.1	7	10.9	51	14.6
	200	100.0	86	100.0	64	100.0	350	100.0

Note  $\chi^2 = 10.626$                        $P < .05$

The following are typical of the comments of foremen, supervisors and managers who said that the system is easy going :

"Workers don't care, they think that they can't get worse:  
 'A monkey can't be changed to a gazelle'." (19)

"When a worker is penalized he says 'when you poke a  
 one-eyed man in his blind eye it doesn't matter' (20)  
 and he may argue with the foreman or the supervisor,  
 and refuse to work."

"If I penalize a worker and he argues with me, the company  
 will not protect me."

"If a worker argues with the foreman or the supervisor  
 who penalized him, both may be transferred to the legal  
 section, who usually punish the two individuals."

"How can I penalize a worker for misconduct, while I  
 cannot reward him for good performance".

"I caught a worker sleeping at the workplace four times.  
 I can issue a penalty, but he might not turn up for

some days and work outside the company while we need him."

The responses obtained by another question confirmed the previous result. We asked both workers and management whether workers work hard to avoid punishment. The majority of the two groups said 'no', 87 per cent of workers and 87 per cent of management. They gave two reasons for that :

- (1) punishment is not the right way to encourage workers to work hard, 62 percent of management and 76 per cent of workers, and,
- (2) workers can work outside the company and get more than what they lose because of disciplinary action, 38 per cent of management and 24 per cent of workers.

An important point to be mentioned here is that management disagreement that punishment is not the right way to motivate workers is not because discipline is used in a positive way, or because management think that self discipline is better. The actual reason is that discipline may create problems in the work. Not only losing friendship, but also workers may be absent for some days while the company suffer shortage of labour.<sup>(21)</sup> This interpretation is supported by a result obtained previously. That is, foremen and supervisors said that their basic task is to solve problems of work and achieve the anticipated amount of production, rather than to ensure cooperation and make workers feel that they are useful.

Furthermore, we asked workers whether any disciplinary action was taken against them. We used the analysis of variance to examine

the effects of occupation, education, hometown, marital status and earnings on 'whether a disciplinary action was taken against a worker'. The ANOVA indicates that the equation is significant at the 1 per cent level, and it explains 12 per cent of the total variance. Occupation is the only variable which has a significant effect (at the 1 per cent level) on 'whether a disciplinary action has been taken against a worker.'<sup>(22)</sup>

Cross-tabulating 'whether a disciplinary action was taken against a worker by occupation indicates that a higher percentage of auxiliary workers than both machine operators and maintenance workers said that a disciplinary action was taken against them. The following table shows workers' responses :

TABLE 10/3  
WHETHER DISCIPLINARY ACTIONS WERE TAKEN AGAINST  
WORKERS BY OCCUPATION

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
	N	%	N	%	N	%	N	%
YES	22	64.7	70	59.8	17	34.0	109	54.2
NO	12	35.3	47	40.2	33	66.0	92	45.8
Total	34	100.0	117	100.0	50	100.0	201	100.0

Note  $\chi^2 = 11.225$                        $P < .01$



As can be seen from Table 10/3 disciplinary actions were taken against 54 per cent of our workers. This percentage may seem high. But it should be noted that most of the penalties are either quarter or half day without pay.<sup>(23)</sup>

The responses indicate that absence from work, and leaving the workplace without permission were the most frequent reasons for penalizing workers, 45 per cent of workers' last offence. The reason could be that, according to the company rules, a worker should ask for a leave of absence two days in advance. He may be given permission or not, according to the situation in the workplace and his relations with the supervisory staff. If a worker does not manage to get leave, he usually compares what he will lose because of absence with the purpose of absence. For example, workers who farm in addition to their work in the company<sup>(24)</sup> find that in certain periods of the year, they have to be absent, because they need a week or more as leave, but management refuse. These are the periods of gathering the crops and preparing the land for new ones. At the same time, workers may have unexpected reasons for absence. When they come back to work, it might or might not be considered leave of absence, depending on a workers' behaviour and his relations. The following are the last offences for which workers were penalized :

- (1) absence from work, 23 per cent,
- (2) leaving the workplace without permission, 22 per cent.
- (3) poor performance, 22 per cent.
- (4) altercation with a foreman or a shift supervisor, 14 per cent,
- and
- (5) causing damage to the company property, 14 per cent.

The responses indicate that maintenance workers were less satisfied with the last disciplinary action taken against them, than both auxiliary workers and machine operators. For, while 29 per cent of auxiliary workers and 27 per cent of machine operators said that they were satisfied, only 6 per cent of maintenance workers gave the same answer.<sup>(25)</sup> This could be because most maintenance workers are educated, and this may affect their expectations. Therefore, when they commit an offence, although the penalty may be less than what is stated in the company rules, they may be dissatisfied. For example, if a worker causes damage to property he may argue that it was unintentional, and expect that he will not be penalized.

Workers gave four reasons for dissatisfaction with the last disciplinary action. Some said that the reason for the offence was beyond their control, 43 per cent of the responses. Others said that management refused to consider their explanation for the offence, 35 per cent of the responses. The third reason was that a worker did not commit an offence to be penalized, 15 per cent of the responses. And the last reason was that, it was the first time to commit an offence, 7 per cent of the responses. As an example of the third reason, a worker said :

"The section manager asked me to bring for him rice and soap from the company store. I couldn't say to him no, but I didn't go. He penalized me for another reason which was not true. He said that I left the workplace without permission."

We asked workers about the best thing to do when they felt that they had been treated unjustly. The responses show that 65 per cent of auxiliary workers, 37 per cent of machine operators, and 48 per cent of maintenance workers said that they keep their

problem to themselves.<sup>(26)</sup> When we asked them why they do not complain, 61 per cent of the responses stated that complaints rarely yielded results,<sup>(27)</sup> and 39 per cent were that management tended to favour foremen and supervisors.<sup>(28)</sup> Workers' typical comment on this point was :

"Water does not go up a hill without pushing."<sup>(29)</sup>

Furthermore, we asked both workers and management, whether the grievance procedures provided adequate protection for workers. Not surprisingly, the responses indicate that a higher percentage of the higher levels of management than workers, and foremen and supervisors answered in the affirmative. (Table 10/4).

The reason could be that management examine workers' complaints in the light of the rules. Therefore, a complaint might not yeild a result because it is against the rules. In such cases, a worker will not be satisfied and thinks that complaints are useless.

TABLE 10/4

WHETHER THE PROCEDURES OF COMPLAINT PROVIDE  
ADEQUATE PROTECTION FOR WORKERS BY OCCUPATION

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Adequate	N	%	N	%	N	%	N	%
YES	68	43.3	66	79.5	61	95.3	195	64.1
NO	89	56.7	17	20.5	3	4.7	109	35.9
Total	157	100.0	83	100.0	64	100.0	304	100.0

Note  $\chi^2 = 65.187$        $P < .01$



The responses also indicate that a lower percentage of maintenance workers said that the procedures of complaint provide adequate protection than both auxiliary workers and machine operators.

(Table 10/5).<sup>(30)</sup> This could be interpreted in two ways. First, maintenance workers are better educated than auxiliary workers and machine operators. Hence, they may think about things in a different way from the other two groups of workers. The other interpretation could be that maintenance workers complain about things which are more difficult to change, such as promotion decisions.

TABLE 10/5

WORKERS' PERCEPTIONS OF THE ADEQUACY OF THE PROCEDURES  
OF COMPLAINT

	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
	N	%	N	%	N	%	N	%
Adequate								
Yes	10	43.5	48	51.6	10	24.4	68	43.3
No	13	56.5	45	48.4	31	75.6	89	56.7
Total	23	100.0	93	100.0	41	100.0	157	100.0

Note :  $\chi^2 = 8.589$        $P < .05$

We asked the workers and management why they consider the procedures of complaint adequate or not adequate. Management gave two reasons for considering the procedures adequate :

- (1) any complaint is studied and a worker is given his right, if there is any, 89 per cent of the responses, and
- (2) management cannot treat the workers unjustly because of the

shortage of labour, 11 per cent.

Workers, also gave two reasons :

- (1) management and workers are controlled by the rules which the law lays down, 69 per cent, and
- (2) any complaint is studied and a worker is given his right, 27 per cent of the responses. (31)

Management and supervisors, who did not agree that the procedures were adequate said that this is due to two reasons :

- (1) management ignore workers complaints, 79 per cent of the responses, and
- (2) complaints are sent back to the immediate supervisor, 16 per cent of the responses.

Workers, on the other hand, gave three reasons :

- (1) management ignore the complaint, 63 per cent,
- (2) management distrust workers, 23 per cent, and
- (3) a complaint is sent back to the immediate supervisor, 15 per cent of the responses. (32)

With regard to ignoring workers' complaints, management said that some workers complain while they know that they have committed the offences for which they were punished. Moreover, the penalty may be reduced, and workers still complain. In such cases, management said that they ignore the complaint.

Furthermore, we asked the workers who was involved in the last offence.

The responses indicated that those who were involved were :

- (1) section manager, 38 per cent of the responses,
- (2) shift supervisors, 28 per cent of the responses,

- (3) personnel department, 24 per cent of the responses, and
- (4) legal section, 15 per cent. (33)

The legal section is involved if the warranted penalty is more than three days, and the personnel department is involved in the penalties for absence and turning up late.

On the other hand, we asked foremen, supervisors and managers whether they had ever been involved in taking disciplinary actions. A lower percentage of foremen and supervisors than the higher level of management answered in the affirmative. For, while 40 per cent of foremen and supervisors said that they had been involved, 70 per cent of the higher levels said 'Yes'. This could be because supervisors do not like to penalize workers, in order to be able to achieve the plan of production and to avoid altercation with workers.

As a supervisor put it :

"The section manager does not get in touch with the workers as much as I do. He does not know their problems either. I was a worker and I know how to encourage them. If I penalize them they may work hard only when they see me, but I don't have a hundred eyes to see everybody."

To examine whether workers are warned when they make a mistake in their jobs, we asked both workers and management about this point. The results are presented in the following table :



TABLE 10/6

ARE WORKERS TOLD ABOUT THEIR MISTAKES AT WORK?

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
	N	%	N	%	N	%	N	%
Never	23	11.4	0	0	0	0	23	6.6
Rarely	11	5.5	0	0	0	0	11	3.1
Sometimes	43	21.4	4	4.7	4	6.3	51	14.5
Usually	124	61.7	82	95.3	60	93.7	266	75.8
Total	201	100.0	86	100.0	64	100.0	351	100.0

Note :  $\chi^2 = 53.022$ 

P &lt; .01

As can be seen from the table, all foremen and supervisors, and the higher levels of management said that workers are told about their mistakes usually or sometimes. Regarding workers, 17 per cent said that they were 'never' or 'rarely' told about their mistakes.

We asked those workers and management who said that workers were told about their mistakes, another question. That was, who tells workers about their mistakes? The replies indicate that 87 per cent of workers' responses and 96 per cent of management responses was that workers were told about their mistakes either by foremen or supervisors. Also, 13 per cent of workers' responses indicate that workers were told about their mistakes by a fellow worker.<sup>(34)</sup> For example, a machine operator may tell his helper about the mistakes which he makes during work.

All workers and management said that workers were warned orally.

No written warnings were used at all, and it was found that foremen and supervisors depend completely on memory. Hence, in the case of a recurrence of the incident, they do not have any recorded facts about what happened before.

Workers who said that they had never been told about mistakes were asked, why? They gave two reasons :

- (1) nobody cares because it is public sector, 16 out of 201 workers, and
- (2) they have enough experience, 7 out of 201 workers.

On the other hand, we asked both workers and management, whether a worker who had done particularly good work was praised. The results are reported in the following table.

TABLE 10/7

WHETHER WORKERS ARE PRAISED WHEN THEY DO PARTICULARLY

GOOD WORK

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Praised	N	%	N	%	N	%	N	%
Never	137	68.2	31	36.0	20	31.2	188	53.5
Rarely	37	18.4	8	9.3	9	14.2	54	15.4
Sometimes	25	12.4	14	16.3	15	23.4	54	15.4
Usually	2	1.0	33	38.4	20	31.2	55	15.7
Total	201	100.0	86	100.0	64	100.0	351	100.0

Note :  $\chi^2 = 91.907$

$P < .01$

As can be seen from the table, a higher percentage of workers said that there has never been praise, or that workers were rarely praised. This could be because workers pay more attention to money. (35)

As one worker put it :

"Saying 'good' or 'thank you' does not mean anything. I can't feed my children on these words. Can I go to a shop to get what I need and say 'good' instead of paying?"

If we compare Tables 10/7 with Table 10/6, we find that while 95 per cent of foremen and supervisors and 94 per cent of the higher levels said that workers are usually told about their mistakes, only 38 per cent of foremen and supervisors and 31 per cent of higher levels said that workers who have done particularly good work are praised. This confirms a result obtained previously. That is, management consider getting the anticipated amount of production as the supervisor's basic task.

Interestingly, management responses show that they use 'cash money' to praise workers, (22 per cent of management responses). This could be because management recognize the importance of money to workers, as noted before. (36) Due to this also, management use other means which affect workers' pay for praise, such as 'to consider a worker's absence, leave of absence' (26 per cent of management responses). (37)

We asked workers whether they had ever been praised. The responses indicate that 10 per cent of all our workers had been praised.

Maintenance workers were praised for two reasons :



- (1) setting up new machines, 20 per cent of maintenance workers,  
and
  - (2) getting machines to work, 14 per cent of maintenance workers.
- Machine operators were praised because they exceeded the anticipated amount of production (3 out of 117 machine operators).<sup>(38)</sup>

### CONCLUSION

Discipline is used in the company from a negative point of view. In other words, it is not used in a corrective manner. For, the majority of management said that it is used either as punishment for breaking the rules or for fear of breaking the rules. Therefore, our first hypothesis is supported by these findings.

Our results also indicate that disciplinary sanctions are far from being an effective device for labour control in the company.

Discipline is considered a sanction of last resort. Even when management decided to penalize a worker, they issued the least possible penalty. This was supported by workers and management responses which indicated that discipline was 'easy-going' in the company. Moreover, management was more concerned about telling workers to correct their mistakes, than to praising outstanding performance. These results mean that our second and third hypotheses are not confirmed.

## REFERENCES

- (1) Egypt, Law 48, 1978, clause 81.
- (2) In each plant there is a section called the 'legal section'. The responsibility of this section is to make sure that the penalties are not more than what is mentioned in the company records. We say 'not more', because the penalty could be less than what it should be. Any penalty should be signed by the staff of the legal section before it comes into effect.
- (3) Egypt, Law 48, 1978, clause 81.
- (4) Ibid., clause 82.
- (5) Ibid.
- (6) Ibid., clause 84.
- (7) Ibid. clause 83. . .
- (8) The disciplinary rules in the company are divided into three sections. First, keeping working time, 10 rules. Second, behaviour at the workplace, 46 rules. Third, general rules, 6 rules. The rules specify each offence and a progressive punishment until four times. The rules state that if the recurrence of the offence takes place after six months, the company look at it as 'first time'. For example, the first penalty for sleeping on the job is a quarter day without pay. In the case of a recurrence, the second penalty is half day without pay, the third time is one day without pay, and the fourth penalty is two days without pay.
- (9) We analyzed the responses by occupation, education and length of service, but we obtained insignificant results.
- (10) Appendix (1), Table (55).
- (11) Appendix (1), Table (56).
- (12) Appendix (1), Table (57).
- (13) Lack of training in the company will be discussed in Chapter 11.
- (14) Appendix (1), Table (58).
- (15) For example, there is a list including all faults which can be made by weavers. The list includes 21 faults and the fine for each fault. The fines are between 2 millims and 10 millims (a millim is one thousandth part of the Egyptian pound).
- (16) Appendix (1), Table (59).
- (17) This is an Egyptian idiom, in Arabic : - اضرب المربوط بخاف السائب

- (18) We analyzed workers and management responses by education, hometown and length of service, but the results are insignificant.
- (19) An Egyptian idiom, in Arabic : **قال هيسنطوك يا فرد قال هيعملوني غزال**
- (20) An Egyptian idiom, in Arabic : **ضربوا الأمور على عينه قال خسرانه خسرانه**
- (21) Workers have second jobs outside the company, as demonstrated in Chapter 11, and they sometimes react to disciplinary actions by absence for some days to work in the private sector.
- (22) Appendix (1), Table (60).
- (23) We tried to get some data on penalties issued against workers and the reasons, but the legal sections refused, arguing that their records were confidential.
- (24) Workers' second job will be discussed in some detail in the next chapter.
- (25) Appendix (1), Table (61).
- (26) Appendix (1), Table (62).
- (27) Number of responses = 53.
- (28) Number of responses = 34.
- (29) An Egyptian idiom, in Arabic : **الميه متطلعش العالى**
- (30) We analyzed the responses by education, length of service, and hometown, but we obtained insignificant results.
- (31) Appendix (1), Table (63).
- (32) Appendix (1), Table (64).
- (33) Appendix (1), Table (65).
- (34) Appendix (1), Table (66).
- (35) See Table 5/2.
- (36) See Table 5/2.
- (37) Appendix (1), Table (67).
- (38) Appendix (1), Table (69).



## C H A P T E R     E L E V E N

### WORKERS' INTENT TO LEAVE, TURNOVER AND SECOND JOB

The responses presented in the previous chapters revealed that workers rated pay the first in importance among six job-related characteristics. However, the majority said that the present level of their earnings was low. At the same time, the wages structure did not differentiate among workers on the basis of effort or performance, but rather rewarded length of service. Neither performance appraisal, nor disciplinary sanctions appeared to have a positive effect on labour control at the workplace.

Our purpose in this chapter is to examine the impact of the policies and practices, discussed previously, on workers' intent to leave, turnover, and having a second job in the private sector.

As noted in Chapter 6, workers' wages increase with their age rather than effort or performance. The question which emerges now is whether family responsibilities are related to age. In other words, do older workers have more family responsibilities than younger workers. To examine this point we take, as an example of family responsibilities, types of workers' residence and how much rent is paid by each group per month.

Workers' responses reveal that 50 per cent of workers aged over 50, 44 per cent of workers aged between 41 and 50, and 24 per cent of workers aged between 31 and 40, own houses.<sup>(1)</sup> This indicates that higher percentages of older workers, who get higher wages, do not pay

rent. The responses also indicate that 21 per cent of the workers who migrated to Cairo from villages have set up their own houses in Cairo.<sup>(2)</sup> At the same time, about three quarters of single workers, and 11 per cent of married workers live with parents.<sup>(3)</sup>

With regard to the amount of rent, cross-tabulating rent by workers' earnings indicated that a higher percentage of workers who get lower earnings pay higher rent, as Table 11/1 shows.

As can be seen from the table, workers whose monthly earnings were £E60 or less represent 42 per cent of workers who pay between 7 and 10 pounds rent, and they represent 44 per cent of workers who pay rent between 11 and 15 pounds per month. But, for example, workers whose earnings are between £E81 and 100 represent only 18 per cent of the first group.

We also computed the percentage of monthly rent to workers' earnings. The results indicate that the percentage of rent to workers monthly earnings is higher for younger than older workers, as reported in Table 11/2.

Table 11/2 indicates that 58 per cent of workers who own houses are over 40 years old. At the same time about three quarters of workers who live with their parents are less than 30 years old. Regarding the percentage of rent to earnings, we can see, for example, that workers aged between 31 and 40 represent 54 per cent of those who pay between 21 to 30 per cent of their earnings as rent. Also, workers aged less than 30 represent 71 per cent of those who pay over 30 per cent of their earnings as rent.

TABLE 11/1

WORKERS MONTHLY RENT BY EARNINGS

Rent EE Earnings	1 - 3		4 - 6		7 - 10		11 - 15		16 +		Own house		live with parents		Total		Mean value of Rent Paid
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%	
- 60	3	12.5	4	20.0	14	42.4	7	43.7	4	33.3	11	19.3	25	64.1	68	33.8	10.16
61 - 80	9	37.5	8	40.0	12	36.4	5	31.3	3	25.0	22	38.5	12	30.8	71	35.3	7.53
81 - 100	9	37.5	4	20.0	6	18.2	3	18.7	5	41.7	14	24.6	1	2.6	42	20.9	8.19
101 +	3	12.5	4	20.0	1	3.0	1	6.3	0	0	10	17.5	1	2.5	20	10.0	4.89
TOTAL	24	100	20	100	33	100	16	100	12	100	57	100	39	100	201	100	8.26

Note :      $\chi^2 = 43.745$                        $P < .01$



TABLE 11/2  
PERCENTAGE OF MONTHLY RENT TO WORKERS' EARNINGS BY AGE

Percentage Age	- 11		12 - 20		21 - 30		31+		own house		live with parents		Mean value of Rent Paid \$E
	N	%	N	%	N	%	N	%	N	%	N	%	
- 30	2	3.7	6	19.4	5	38.5	5	71.4	6	10.5	29	74.4	12
31 - 40	23	42.6	18	58.1	7	53.8	1	14.3	18	31.6	9	23.1	8.68
41 - 50	19	35.2	6	19.4	1	7.7	1	14.3	22	38.6	1	2.5	6.15
51+	10	18.5	1	3.1	0	0	0	0	11	19.3	0	0	5.46
TOTAL	54	26.8	31	15.4	13	6.5	7	3.5	57	28.4	39	19.4	8.26

Note =  $\chi^2 = 96.394$

P < .01

In order to further examine the relationship between rent and some of our workers' characteristics, we used the following specification for 201 workers :

$$R = f(A, E, L, C)$$

where:

R = monthly rent in Egyptian pounds.

A = age

E = earnings

L = level of education in dummy form =

$L_0$  no education (base)

$L_1$  primary level

$L_2$  preparatory level

$L_3$  secondary level

$C_1$  = Cairo born workers ( $C_0$  = non-Cairo born, dummy base).

The results of the regression analysis are reported in the following table :

TABLE 11/3

COEFFICIENTS ON AGE, EARNINGS, EDUCATION AND PLACE OF BIRTH

Constant Term	10.787
Age	-0.115*
Earnings	0.007
C <sub>1</sub>	-4.166*
L <sub>1</sub>	-1.008
L <sub>2</sub>	1.075
L <sub>3</sub>	-1.633
$\bar{R}^2$	0.112
F	5.19
$\bar{R}$	4.358
N	201

\* significant at the 1 per cent level.

The table shows that age and place of birth have a significant relationship with the amount of rent. The coefficient on age suggests that older workers pay lower rent; £0.12 less in rent for an extra year in age. At the same time, workers who were brought up in Cairo pay less rent. The coefficient on place of birth indicates that Cairo born pay £4.17 less than non-Cairo born per month. This is because two thirds of the workers who were brought up in Cairo either own houses or live with their parents.



Rent as an example of family responsibilities demonstrates that younger workers, whose earnings are lower, pay higher rent. Also, non-Cairo born pay higher rent than Cairo born workers. A mission sent to Egypt by the World Bank reported that :

"The rapid and sustained growth of the urban population, the public commitment to the promotion of equity, and the low level of resources available for housing and urban utilities have all contributed to poor conditions in the cities, particularly in Cairo. Urban housing in particular seems to have steadily deteriorated since the early 1960s .... In no year did the number of units built keep pace with the formation of new households - about 90,000 per year." (4)

At the same time, the increases in workers' earnings have been less than the increases in the costs of living. The consumer price index shows that in 1978 the costs of living were more than double the costs of living in 1967.<sup>(5)</sup> However, changing wages and salary structure in 1978 by Law 48 increased wages and salaries only 5 per cent for the top grade, to 33.3 per cent for the lowest grade.<sup>(6)</sup>

As a result, workers' behaviour was affected in two ways. First, they try to go to work in an Arab oil country, or to get a better job in another company in Egypt. Second, they have another job, in addition to their job in the company, in order to cover their needs. In the next section we examine workers' intent to leave and turnover. Then we explore workers' propensity to have a second job.

### Workers' Intent to Leave and Turnover :

The mission sent to Egypt by the World Bank stated that :

"The relaxation of Egyptian policies governing the exit of nationals and the increasing demand for expatriate labor by Arab oil exporting countries have caused many Egyptians to seek jobs in Libya and the Persian Gulf States, a movement that began to accelerate in 1974. Although exact information on the number of migrant Egyptian workers is not available, estimates range from a quarter to half a million, and one estimate puts it as high as one million, that is between 2.5 and 10 per cent of the labor force." (7)

Regarding our workers, we first asked them whether they had ever thought of leaving the company. In order to examine the effects of some variables on workers' responses, we used the analysis of variance. The independent variables in the equation are : education, occupation, marital status, hometown, and earnings as covariate. The ANOVA results indicate that the equation is significant at the 5 per cent level, and it explains 8.8 per cent of the total variance. Earnings is the only variable which has a significant effect, at the 5 per cent level, on 'whether workers have ever thought of leaving'. (8)

Cross-tabulating 'whether workers have ever thought of leaving the company' by earnings reveals that there is an inverse relationship between the percentage of workers who thought of leaving and earnings. For example, 72 per cent of the workers who get £E60 or less per month, 63 per cent of the workers who get between £E61 and 80, and 57 per cent of the workers who get between £E80 and 100, said that they had thought of leaving the company. (9)

To examine whether workers who intend to leave have done anything,

we asked them 'Have you done anything to leave?' The percentage of workers who answered in the affirmative represents 36 per cent of all our workers. Some of those workers said that they are looking for another job in Egypt, 12 per cent of all our workers. Others said that they are trying to go to work in an Arab oil country, 10 per cent of all workers. This latter group said that they have prepared the necessary certificates, and they have written to friends or relatives working in Arab countries. A third group said that they had already applied for another job, 14 per cent of all workers.

Furthermore, we asked the workers how long they expected to be working for the company. The following table shows the mean period by age:

TABLE 11/4

EXPECTED PERIOD FOR WORKING WITH THE COMPANY BY AGE

Age	Mean Length of service	Mean Expected period	Std. Dev.	N
- 25	4.75	10.2	10.4	20
26 - 35	10.29	17.3	10.3	70
36 - 45	21.07	13.7	9.1	68
46 +	27.16	5.7	5.2	43
				201

F = 15.54      P < .01

The interesting result in Table 11/4 is that workers aged less than 25 intend to work for the company for shorter periods than older workers. The responses reveal that 40 per cent of those workers, aged 25 or less, plan to leave after a short period, because they expect to get a better job.<sup>(10)</sup> Also, 30 per cent of the workers who are between 26 and 35 years old, will be leaving for the same reason.<sup>(11)</sup> At the same time, 13 per cent of workers aged between 26 and 45 will be leaving to work in an Arab oil country. Another reason mentioned by 21 per cent of workers aged over 45 is that they will set up a private workshop.<sup>(12)</sup>

To examine workers' intent to leave further, we put the question in a different way. We asked them whether they intended to leave if they found a better job. In order to examine the effects of some variables on workers' intent to leave, if they found a better job, we used the analysis of variance. The independent variables are : occupation, education, marital status, hometown and earnings as covariate. The ANOVA results indicate that the equation is significant at the 1 per cent level, and it explains 16.9 per cent of the total variance. Earnings, education and marital status have a significant effect at the 5 per cent level.<sup>(13)</sup>

Cross-tabulating 'whether workers intend to leave if they find a better job' by earnings, indicates that the percentage of workers who intend to leave decreases as earnings increase.<sup>(14)</sup> This result is expected, since our workers are instrumentally oriented, as noted before.



Regarding education, the responses reveal that the percentage of workers who intend to leave, increases with level of education.<sup>(15)</sup>

This could be because higher educated workers have different expectations with respect to work rewards, such as wages and promotion.

A higher percentage of single workers, 89 per cent, than married workers, 53 per cent, said that they will leave if they find a better job.<sup>(16)</sup>

This is not surprising for the latter group of workers have constraints on their behaviour, such as schools for children or accommodation problems.

Furthermore, we asked workers who said that they do not intend to leave if they find a better job, why is that? The important reason mentioned by workers aged over 35 is, their age and their tenure, 87 per cent of this group. Workers aged 35 or less said that they do not intend to leave because the company will not agree, and in this case, if they leave they lose their previous service in the company. According to Labour Law, a worker cannot leave without the agreement of the employer. If a worker leaves without the employer accepting his resignation, he loses his years of service with the company.<sup>(17)</sup>

What actually happens is that, because the company suffers from shortage of labour, management do not agree to resignation or transfer. This affects workers' decision to leave. Unless the other opportunity is good, workers do not sacrifice their years of service with the company, for it affects their pension.

Thus far, workers' responses indicate that a higher percentage of workers who get higher earnings do not intend to leave the company. Workers

who have lower earnings intend to leave the company if they find a better job. They try to find better jobs in Egypt, or leave to work in an Arab oil country.

The data obtained from the records of the company on worker turnover confirms the previous results. Table 11/5 shows turnover rates for production and production services workers during the last six years. (18)

As can be seen from Table 11/5, the turnover rate among maintenance workers and technicians was over 20 per cent during the last six years. The table also shows that turnover among production services workers is higher than among production workers. This could be because there are more opportunities for technicians than for manual workers to find another job. For example, the first group can find better jobs in other public companies, or in joint-venture companies, or in Arab oil countries, which is more difficult for the latter group.

We can also see from the table that the percentage of workers who quit their jobs is higher than leaving for other reasons. As noted before, because of the shortage of labour in the company, management do not agree to transfer workers either to public or to private companies. Also, if a worker finds a chance to go to work in an Arab oil country for a year or two, and sometimes more, the company management do not agree to give him leave of absence. In such cases if the worker thinks that the other opportunity is better he does not have any alternative but to quit. (19)

TABLE 11/5

## WORKERS' TURNOVER FROM 1977 - 1982

Period	1977	1978	1979	Jan 1980 - June 1980	1980/81	1981/82
PRODUCTION WORKERS :						
Average number of workers	16355	15837	15312	15028	14478	13600
Quits	791	610	728	479	763	1002
Transfer to other companies	8	129	109	24	9	16
Retirement and death	57	129	37	42	136	60
TOTAL	856	878	874	545	908	1078
PRODUCTION SERVICES WORKERS :						
Average number of workers	5574	5573	5455	5338	5162	5124
Quits	1189	977	1198	396	793	1039
Transfer to other companies	96	174	189	31	50	28
Retirement and death	143	221	106	67	241	170
TOTAL	1428	1372	1493	499	1084	1237

SOURCE : ESCO, Annual Report, 1977, 1978, 1979, 1980, 1980/81 and 1981/82.

Workers who cannot find a better job, or find an opportunity to go to work in an Arab oil country, try to have a second job in the private sector. They work in the company and outside the company in order to cover their needs, and to this we now turn.



### Workers' Second Job:

While the costs of living are increasing,<sup>(20)</sup> younger workers are paid less according to the wages and salary structure. At the same time, they have their ambitions to marry and have separate accommodation, rather than staying with their parents. But their earnings from the company are not enough for them to live comfortably.

Older workers are not better off. The costs of living are increasing continuously, but their earnings do not increase by the same rate.<sup>(21)</sup> They get, as noted in Chapter 6, a fixed amount of money called 'inflation payment' which depends on wage grades rather than changes in costs of living. Workers also get an annual increment which is on average £E3.<sup>(22)</sup> But what actually happens is that, in August every year, which is the time of awarding the annual increment, prices go up. Employees and workers always complain that they pay because of the increases in prices more than the annual increment or any exceptional raises awarded to all workers by Presidential decrees.<sup>(23)</sup>

Because of that, the government always try to control the prices. But was this control effective? Although, to my knowledge, there is no empirical evidence on this point, I would say, as an Egyptian watching what was going on, that the control of prices has not been effective. For example, sometimes the government fix the prices of certain goods. The shops react by hiding these goods to give a feeling that there is a shortage in these types of goods. Later, they start selling them secretly to those who can afford to pay more. In such cases, the working class suffers.

As a result, some workers have a second job in the private sector, and some other workers are trying to have a second job. Having a second job is important because workers' wages are low and most of their wives do not have jobs. Workers' responses reveal that only 5 out of 174 wives go to work (2.9 per cent). When we asked workers whether they would let their wives work if they could get a suitable job, only 10 per cent answered in the affirmative. The reasons given by workers who said that they would not agree to let their wives work are :

- (1) 'it is against our custom', 40 per cent of married workers
- (2) 'wife has to look after the family', 36 per cent of married workers, and
- (3) 'wife is old', 11 per cent of married workers. (24)

The previous results indicate that for most workers' families, the worker's job is the source of money to cover their needs. As a result, workers try to increase their earnings by having a second job in the private sector firms, workshops or shops.

Before examining our workers' responses about the second job, an important point should be mentioned. Workers are not allowed, by Law, to have a second job. (25) Because of that we suspect that the percentage of the workers who said that they have a second job is less than the reality. Another reason, mentioned by foremen and supervisors, for which some workers may deny that they have a second job is that they fear envy. (26) According to the Longman Dictionary of Contemporary English, 'envy' means 'feeling one has towards someone when he wishes that one had his qualities or possessions'.

Because of those two reasons, i.e. fear of envy and having a second job is illegal, we reckon that some workers did not admit to having a second job.

Workers' responses reveal that 45 per cent have a second job. The following table shows the types of second job our workers have.

TABLE 11/6  
TYPES OF WORKERS' SECOND JOBS

Type of Job	N	%
1. Similar job in a private firm	21	23.3
2. A job in a private workshop, e.g. welding and electrician	20	22.2
3. Farming	16	17.8
4. Labour on construction sites	9	10.0
5. Plumber	6	6.7
6. Carpenter	5	5.6
7. Grocery	5	5.6
8. Ironing cloth	4	4.4
9. Coffee-house keeper	2	2.2
10. Bicycle hire shop	1	1.1
11. Tailor	1	1.1
	90	100.0



In order to test the effects of some variables on having a second job, we used the analysis of variance. The independent variables are: occupation, education, marital status, hometown, and earnings. The results of ANOVA indicate that the equation is significant at the 5 per cent level, and it explains 10.2 per cent of the total variance in the dependent variable. Only earnings have a significant effect on having a second job, and it explains 5.9 per cent of the total variance. (27)

Cross-tabulating 'whether workers have a second job' by earnings indicates that the percentage of workers who have a second job goes down as earnings increase. For example, while 53 per cent of the workers who get ££60 or less have a second job, 15 per cent of the workers who get over ££100 have a second job in the private sector. (28) This could be because workers who get lower earnings are the younger workers who have more energy, and can find opportunities outside the company. At the same time, younger workers, who rent accommodation, pay higher rent, and others who live with their parents hope to have separate accommodation. On the other hand, older workers, who get higher earnings, pay low rent or no rent at all, which means that they have lower family responsibilities, as noted before.

Regarding workers' earnings from the second job, the analysis of workers' responses reveals that the mean earnings for machine operators is less than both auxiliary workers and maintenance workers' mean earnings, as table 11/7 shows. (29) This could be because machine operators have to exert more effort in the company. Therefore, they may be less able to work outside the company, than maintenance



and auxiliary workers.

TABLE 11/7

WORKERS' EARNINGS FROM SECOND JOB BY OCCUPATION

Occupation	Mean £E	Std. Dev.	N
Auxiliary workers	44.12	26.65	17
Machine operators	39.78	17.79	46
Maintenance workers	49.44	24.63	27
All	43.50	21.97	90

The responses also indicate that the mean earnings from the second job for secondary graduates is higher than for other levels of education.<sup>(30)</sup> This could be because most secondary graduates work in maintenance, in private firms or in private workshops. Therefore, they are paid higher than other workers.

Furthermore, we asked the workers who said that they do not have a second job, whether they would like to have a second job. In addition to the 45 per cent who have a second job, another 21 per cent said that they are interested in having a second job. We used the analysis of variance to examine the effects of some variables on workers' interest in having a second job. The independent variables are: occupation, education, hometown, marital status and earnings as covariate. The results indicate that the equation is significant at the 1 per cent level, and it explains 18.3 per cent of the total

variance (N = 201). Earnings, marital status, home town and occupation have significant effects on workers' interest in having a second job. (31)

As might be expected, higher percentages of workers with lower earnings are interested in having a second job, than workers with higher earnings. (32) With regard to marital status, two thirds of married workers and 63 per cent of single workers are interested in having a second job. As can be seen, the difference between the percentages of single and married workers, who are interested in having a second job is not wide. This could be because married workers have family responsibilities, and single workers have their ambitions to marry and have children. Therefore, both married and single workers look for more money.

With regard to occupation, the responses indicate that higher percentages of maintenance and auxiliary workers are interested in having a second job than machine operators. (33) This could be because the effort exerted by machine operators is more than the effort which the other two groups put on their jobs in the company.

The responses also indicate that a lower percentage of workers who come from villages are interested in having a second job, than workers who come from towns or from Cairo. (34) This could be because 49 per cent of workers who come from villages are aged over 46. (35) Therefore, they get higher earnings from the company, and at the same time, pay no, or low rent. As noted before, 21 per cent of workers who migrated to Cairo from villages have set up

their own houses in Cairo. <sup>(36)</sup> Added to that, 29 per cent of workers who come from villages are aged between 26 and 35 <sup>(37)</sup> which suggests that they do not have enough experience and/or do not know people to help them get a second job.

Furthermore, we asked workers who are trying to find a second job in the private sector, which type of job they would like to have. A higher percentage of maintenance workers said that they would like to have a similar job to what they do in the company, 22 per cent of maintenance workers, than auxiliary workers and machine operators. Auxiliary workers and machine operators said that they would like to have a job which needs less effort than their jobs in the company, 12 per cent of both auxiliary workers and machine operators. <sup>(38)</sup>

Finally, we asked workers who are looking for a second job whether they expect to find the job which they would like to have. A higher percentage of maintenance workers answered in the affirmative, 18 per cent of maintenance workers, 4 per cent of machine operators and none of the auxiliary workers answered in the affirmative. <sup>(39)</sup> This could be because work opportunities for maintenance workers are better, as they can work either in private workshops, or in private textile companies. At the same time, there is a shortage of technicians in Egypt now, because they can go to work in Arab oil countries more easily than manual workers.

The company gives workers guaranteed wages and pension. But the wages, as the majority of workers and management said, are low. As



a result, workers bargain their effort in the way which maximises their earnings. They give the company only a part of their labour power, and save the other part for a second job. In the second job, i.e. in the private sector, workers are paid on the basis of their effort or the results they achieve. Hence, workers try to conserve their capacity for the second job rather than exerting it on their jobs in the company. The following figure illustrates workers' behaviour :

FIGURE 11/1

WORKERS' BEHAVIOUR TO SATISFY THEIR NEEDS

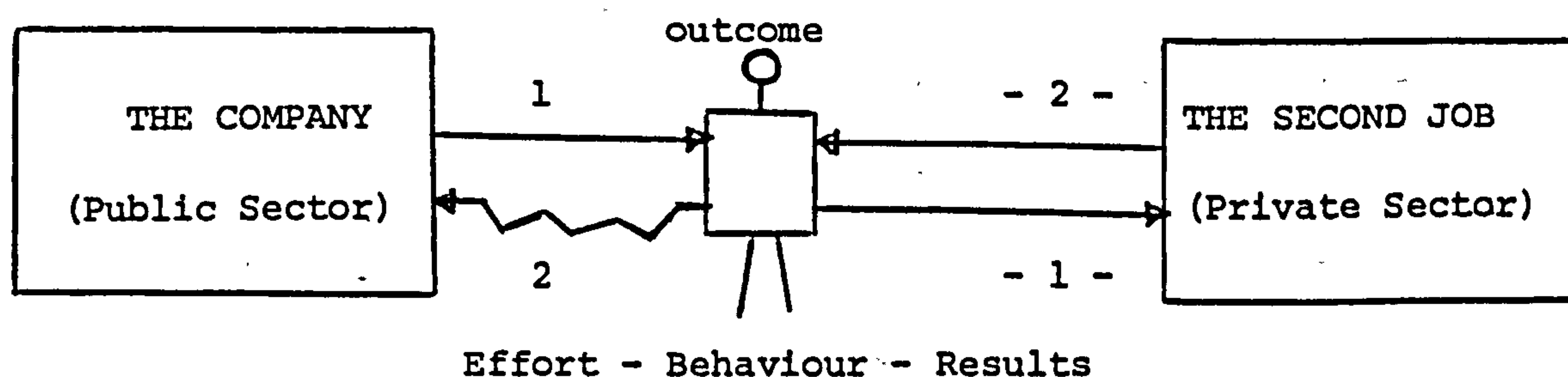


Figure 11/1 shows that workers are getting from the company a guaranteed wage and benefits. The wage depends on attendance rather than the effort exerted or the work performed (Line 1 ). Because of that workers try to put the least possible effort (oscillating line 2 ) into this. In the second job, workers are paid according to their efforts or results. The sequence of the directions of the arrows in Figure 11/1 is important. In the company, wages are paid, and after that comes, as a secondary matter, effort and behaviour. But in the second job, effort and results



come first, and on the basis of effort and results payment is determined. Therefore, there is a direct relation between workers' effort and their earnings from the second job, but not in the company.

### CONCLUSION

The results presented in this chapter indicate that workers respond in different ways to absence of control in the company. Older workers get higher earnings, pay no - or low - rent, and are settled with their families near the company. Because of that, in addition to age, many of them do not have a second job and do not intend to leave the company. Some other workers who get lower earnings but have more financial responsibilities, plan to quit and are trying to find better opportunities either in Egypt, or in Arab oil countries. At the same time, some other workers have a second job in the private sector, and others try to have a second job.

In the next chapter, an attempt will be made to sketch out the workers' 'typical' response to that situation, where labour control mechanisms are ineffective.

# REFERENCES

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- (1) Appendix (1), Table (70).
- (2) Appendix (1), Table (71).
- (3) Appendix (1), Table (72).
- (4) Ikram, K., Egypt: Economic Management in a Period of Transition, The John Hopkins University Press, Baltimore, 1980, p. 147.
- (5) Appendix (1), Table (73).
- (6) Appendix (1), Table (74).
- (7) Ikram, K., op. cit., pp. 138-139.
- (8) Appendix (1), Table (75). When we entered in the equation 'having a second job outside the company' as an independent variable, the result was not significant.
- (9) Appendix (1), Table (76).
- (10) Appendix (1), Table (77).
- (11) Ibid.
- (12) Ibid.
- (13) Appendix (1), Table (78). When we entered 'having a second job' as an independent variable, the result was not significant.
- (14) Appendix (1), Table (79).
- (15) Appendix (1), Table (80).
- (16) Appendix (1), Table (81).
- (17) Egypt, Law 48, 1978, clause 52.
- (18) Production services include maintenance workers, workers in the workshops and technicians.
- (19) ESCO, personal interviews with the head of the administrative staff and plant managers, 1983.
- (20) See Appendix (1), Table (73).
- (21) According to Lloyds Bank Group Economic Report on Egypt in 1984, the annual change in the consumer price index between 1980 and 1983 was 20.6, 10.4, 14.9 and 16.1 respectively. The report states that : "Official prices indices are heavily weighted with subsidized items and therefore do not fully reflect the inflation rate. Many transactions take place in the black market at prices much higher than official ones." (Lloyds Bank Economic Report on Egypt, London, 1984, p.7.)

- (22) See Appendix (1), Table (24).
- (23) As noted before, the change in the consumer price index was 14.9 in 1982 and 16.1 in 1983.
- (24) Appendix (1), Table (82).
- (25) Egypt, Law No. 48, 1978, clause 79.
- (26) Envy is mentioned in the Glorious Quran in the Chapter of Daybreak :  
       "In the Name of God, the Merciful, the Compassionate,  
       Say: I take refuge with the Lord of Daybreak ... from  
       the envier when he envies."
- (27) Appendix (1), Table (83).
- (28) Appendix (1), Table (86).
- (29) In order to be able to go to a second job, workers try to conserve their effort in the company. Therefore, a negative relationship might be expected between workers earnings from the company and their earnings from the second job. To test for this relationship we entered earnings from the company, as a dependent variable, with years of education, experience and earnings from second job, as independent variables. The regression analysis showed a negative, but not significant, relationship between earnings from the company and earnings from the second job. (Coefficient on earnings from second job was -0.0009 and not significant.)
- (30) Appendix (1), Table (84).
- (31) Appendix (1), Table (85).
- (32) Appendix (1), Table (86).
- (33) Appendix (1), Table (87).
- (34) Appendix (1), Table (88).
- (35) Appendix (1), Table (89).
- (36) Appendix (1), Table (71).
- (37) See Appendix (1), Table (89).
- (38) Appendix (1), Table (90).
- (39) Appendix (1), Table (91).



## C H A P T E R   T W E L V E

### CONTROL MECHANISMS IN THE COMPANY AND THE WORKERS' RESPONSE

In this chapter we highlight the state of labour motivation and control devices in the company. Then we sketch out the workers' response to the situation.

Organizations always need to use some mechanisms in order to transfer workers' potential capacity to labour. To clarify the importance of using some mechanisms of motivation and control over workers in the textile industry, we shall first illustrate the nature of those workers' jobs.

As noted before, shop-floor jobs in the textile industry could be divided into three broad groups; machine operators, maintenance workers, and auxiliary workers. Machine operators are responsible for feeding of material and observing machines. The significant point is that a spinner, for example, can run when he sees a red lamp indicating a fault which means a machine stoppage, or he can walk slowly, or he may not see it, or pretend that he hasn't seen it. With regard to machines which do not have such lamps, a spinner has to be moving around the machines all the time to correct any faults. At the same time, a spinner can correct a fault, for example, tie the yarn if there is a cut in it, he can do that in a few seconds, or in a minute or more.

This applies also to weavers, although the nature of the job is different. For, if a weaver pays more attention to the machines, there will be less stoppage which affects the amount of production.



Another example, because of the shortage of labour, especially of technicians, cleaning the machines is the responsibility of the weavers, not the maintenance workers. A weaver can keep his machine clean or he may not care, which affects machine stoppages.

An important point should be raised here. That is, although supervision is important, motivating workers is essential for two reasons. First, in practice, a foreman or a supervisor cannot observe all the workers at the same time. Second, a worker can do a task slowly and if a foreman or a supervisor talks to him he can find different excuses, such as : 'my leg is hurting me', or 'I didn't see the fault'.

With regard to maintenance workers, they can carry out a repair which needs two hours in only one hour, or they can do it in four hours. Also, they can think of alternatives to get a machine to work if there is a shortage of spare parts, especially for old machines, or they can say it is impossible to repair the machines without spare parts.

Auxiliary workers do unskilled work, such as delivery of materials from one stage to the next. This group of workers also can work hard or take it easy. Therefore, machine efficiency depends not only on machine operators' effort, but also on maintenance and auxiliary workers' performance.

The previous illustration indicates that technical control is a partial means because the technology available in the textile industry is a man - machine system. Hence, it does not eliminate the effects

of human resources, motivation and consciousness. Therefore, there is a need for using other means of control over our workers.

It was demonstrated quite clearly in Chapter 5 that our workers are instrumentally orientated. They consider 'earnings' the most important job-related characteristic. And they emphasized the importance of 'pay' whenever they talked about their jobs. Therefore, we concluded that material incentives could be significant means of motivation and control over those workers.

According to the human capital theory, education and on-the-job training, i.e. experience, increase an individual's productive capacity. Therefore, in order to encourage people to invest in education and on-the-job training, a rational wages and salary structure rewards those two factors up to a certain point. As noted before, the earnings curve flattens after a certain number of years of experience, and after that may start to turn downwards. At the same time, since organizations are interested in performance, responsible behaviour which fits in with management objectives needs also to be reflected in the wages and salary structure. Annual increments and promotion are incentives which could be used for this purpose. In order to establish an instrumental relationship between performance, on the one hand, and annual increments and promotion, on the other hand, they have to be seen to be based on performance. Performance appraisal could be used as a basis for giving or withholding these rewards, which helps establish an instrumental relationship between performance and rewards. Discipline also could be used as a means of control over our workers, who are instrumentally oriented, as it affects pay, but on the negative side.

In the next section we summarize the state of labour control mechanisms in the company, which were discussed in detail in the previous chapters.

### The Effectiveness of Labour Control Mechanisms in the Company :

#### (1) The Payment System :

The wages and salary structure of the company is governed by the public sector Labour Law. Pay differentials are mostly determined by years of employment experience. At the same time, earnings profiles do not seem to be turning downwards at any point before retirement. While older workers considered this to be fair, younger workers said it was unfair, because they do jobs similar to those of older workers but get lower wages. Hence, it seems that wages and salary structure motivates only older workers who consider it fair.

The company management uses a piece-rate system as a means of motivation and control over machine operators. The main problem in this system is that the rate is too low to encourage younger machinists, who are healthy and fit, to exert more effort. With respect to older machinists, piece-rate payment represents a low percentage of their earnings which also reduces its effectiveness.

Management also introduced another incentive scheme which covers all production workers, including machine operators, and management. According to this scheme, machine operators get



an additional incentive on top of piece-rate payment. This additional incentive is paid in mid-month, and depends on the amount of production on an individual basis. The average of machinists' additional incentive is the basis of calculating the incentives of other production workers and management. The main shortcoming in that scheme is that the amount of incentives is too low. Both workers and management said that the present amount of incentives paid to workers is insufficient and proposed about three times that amount.

(2) Promotion :

Our findings suggest that promotion does not have an incentive effect on most workers, for three reasons. First, wage grade changes are not necessarily related to changes in workers' responsibilities. Second, chances of wage grade changes are limited. For example, 1 per cent per annum, have the chance to be moved from Grade 5 to Grade 4. Third, because of the wide overlaps in the wages and salary structure, a worker can be moved to a higher wage grade but get no increase in his wage.

Nearly half of our workers were not interested in promotion, either because they thought it was difficult to be promoted, or because promotion meant more effort. Others were interested in being promoted because the higher jobs need less effort, or give them an opportunity to learn skills which could be useful in the private sector.

(3) Performance Appraisal : .

Workers' rating in performance appraisal affects promotion



decisions and awarding the annual increment. But, as noted above, promotion opportunities are limited in the company.

Regarding the annual increment, a worker whose rating is 'poor' is awarded, by Law, half of his annual increment. During the last three years, less than 2 per cent per annum of production workers were rated 'poor'. Workers are rated 'poor' only for serious offences such as theft or fighting in the workplace. Even fighting is sometimes tolerated, unless it was with one of the higher level management.

(4) Discipline :

Management agree that the present level of workers' earnings is low. At the same time, the company suffer from a shortage of labour. Because of those two reasons management turn a blind eye to workers' offences most of the time.

Workers, on the other hand, are aware of the fact that the company suffer from a shortage of labour. And they are also aware of the protection against dismissal provided to them by Law. As a result, when a disciplinary action is taken against a worker, he may argue with the individual who took the action, or he may refuse to work, or he may not turn up for some days.

Supervisors are aware of these difficulties and of their responsibility for production. Hence, they do not take disciplinary action unless the offence is serious. And even in these cases, they give the least possible penalty.

(5) The Socialization Process :

Lack of training in the company indicates that no planned programmes to socialize workers are carried out.<sup>(1)</sup> What sometimes happens is that section managers decide to see new recruits for five to ten minutes before they start to work for the company. From observation, managers warn the new recruits not to believe what older workers say, and advise them to ask supervisors when they want to enquire about anything, rather than asking older workers, i.e. workers who have longer length of service.<sup>(2)</sup> Within a few weeks new workers get to know other workers, talk with them and know the reality. They begin to learn the effort required, they may get to know some workers who have become deaf as a result of the noise levels, and at the end of the month, they get their first pay packet.

By and large, our results reveal the absence of an effective system of labour control in the company. Vatikiotis stated that Nasser :

"blurred national with social and economic objectives on the grounds that there could be no class divisions in Egypt, only national solidarity. His assumption of total responsibility rendered most people irresponsible." (3)

In the next section we sketch out the workers' 'typical' response to that situation where mechanisms of labour motivation and control are ineffective.

The Workers' 'Typical' Response to Labour Control Mechanisms in the Company :

Our respondents could be divided into four 'typical' categories.

These are :

- First : stayers with no second job
- Second : stayers with a second job
- Third : workers planning to quit
- Fourth : victims of the system.

The comparison among these four categories will be based on :

- (1) Family responsibilities
- (2) Level of earnings from the job (4)
- (3) Work opportunities outside the company
- (4) Relationship with the company.

FIRST : Stayers with no second job :

This category includes workers who intend to continue with the company, and do not have a second job. They are aged over 50 and they represent about 10 per cent of our workers. They depend on their earnings from the company. Now, we shall look at this group in detail.

(1) Family Responsibilities

Workers in this group are old, and their children have grown up. Therefore, their financial responsibilities have decreased. Also, some of those workers do not pay rent, because they live in their own houses (50 per cent of this group live in their own houses). Others rent their accommodation or live in the company residence where they pay low rent (Mean rent for this group is £E5.46 per month and range is 14. Mean rent for all the sample is £E8.26). In this group 36 per cent live in accommodation rented from a private owner, and 14 per cent live in the company residence.

Therefore, workers in this category have lower family responsibilities.

(2) Level of Earnings from the Job :

Workers in this group have longer length of service (mean total experience for this group is 30 years, and mean for all our workers is 18.4). Hence, they get higher earnings than other workers (mean earnings for this group is £E102, and mean earnings for all workers is £E72.37). However, most of them did not say that the level of their earnings is high, but rather tended to say that their earnings are 'just enough',<sup>(5)</sup> to cover their family needs. This could be because it is human nature that some people ask for more, especially when it comes to money, i.e. some people are never satisfied.

(3) Work Opportunities outside the Company :

Workers in this group do not have the capacity to do a second job. They become exhausted after their shift in the company, and they need to rest in order to be able to come to work the following day.

At the same time, private sector firms do not recruit this type of person. They prefer younger workers who are still fit and healthy.

(4) Relationship with the Company :

This category of workers started to work in the factories which belong to the company, when these factories were private, i.e. before nationalization in 1961. According to their comments, they were trained to factory life better than workers these days.<sup>(6)</sup> In this category, workers get, as noted above, higher earnings.



They have low family responsibilities, and they do not have a second job. As a result, they turn up on time, they concentrate on their jobs, and do not usually cause problems at the workplace. (Disciplinary actions were taken against 32 per cent of workers aged over 50, while disciplinary actions were taken against 60 per cent of workers aged 30 or less).

In this category, workers are not interested in promotion, because they find it difficult to be promoted, and also because of their age they do not have the capacity to be promoted to higher jobs, such as foremen. Nowadays, foremen in the company are responsible for production, and at the same time, because of the shortage of labour they usually help workers in their jobs.

Those workers intend to continue with the company either because, as they said, it is not easy to leave the factory where they have spent their lives, or because it is difficult to find another job at that age.

## SECOND : Stayers with a Second Job :

This category is heterogeneous, and represents about 45 per cent of our workers. It includes younger and older workers, and also single and married workers, as demonstrated below.

### (1) Family Responsibilities :

Family responsibilities of this group are higher than the previous group. There are workers in this category who do not pay rent because they own houses (27 per cent of this group own houses), but their children are still at schools. Others have girls

'waiting for marriage' which will require some money.<sup>(7)</sup> There are also workers in this group who rent their accommodation (43 per cent of this category), and because they rented it recently as they are younger, they pay higher rent (mean rent for this group is £E8.48, range = 24, mean rent for all the sample is £E8.26). Those younger workers also married recently and in some cases still require to complete the furnishing of their homes.<sup>(8)</sup>

(2) Level of Earnings from the Job :

In this category workers' earnings are lower (mean earnings of this group = £E66.56, and mean earnings for all the sample = £E72.37). They said that they considered it a guaranteed income which covered the necessities of their families. They then tried to get an additional amount of money from a second job in order to cover their needs.

(3) Work Opportunities outside the Company :

Some of the workers who come from villages near the company, i.e. Cairo suburbs, have their own land which they farm (18 per cent of this category). Other non-migrant workers who do not own land, and migrant workers have a second job in a private textile firm (23 per cent of this group of workers). At the same time, some of those workers have a second job in a private workshop (22 per cent of this group), in addition to some other jobs such as plumber, carpenter and grocer (37 per cent of this category).

Workers who have enough experience in the company, i.e. about 10 years, find it easier to get a second job in a private textile firm. Some of those firms are close to the factories of the

company, and workers who have a second job in those firms walk to it after their shift in the company.

Workers' earnings from the second job are between ££40 and 50 per month. It represents about 50 per cent on average of workers' earnings from the company.

(4) Relationship with the Company :

Three reasons were mentioned by those workers for their intent to continue with the company. First, to guarantee a pension. Second, they had settled down near the company where they had their own houses, or their rented accommodation. Third, their second job enabled them to cover their needs.

Those workers bargain their effort in the way which maximizes their earnings. They try to give the company part of their labour power and save the other part for the second job. As a result, they prefer to have easier jobs in the company, or jobs which give them an opportunity to learn skills which could be useful in the private sector.

Workers in this category have other commitments outside the company as they have a second job. Because of this they sometimes absent themselves from the company. They are penalized because of their absence, but they do not care much about these penalties because they earn from the second job more than the deductions because of absence. They also sometimes come to their work in the company exhausted, and sleep at the workplace. They are not always penalized for that because, as noted before,

discipline is 'easy-going' in the company.

THIRD : Workers Planning to Quit :

This group includes workers who do not intend to continue with the company. They represent about 30 per cent of our workers.

(1) Family Responsibilities :

Workers in this group are single or married. Most single workers live with their parents (11 per cent of this category). But they hope to marry and have separate accommodation. Their earnings from the company, however, are low because they have a shorter length of service.

Married workers who live with their parents (10 per cent of this group) want to have separate accommodation. But, in order to get separate accommodation they have to pay an amount as 'Key Money' to the owner,<sup>(9)</sup> which they do not have. Other workers pay high rent, because they rented their accommodation recently (mean rent paid by this group is £E8.9, range = 24, mean rent for all workers = £E8.26).

Therefore, this group has more financial responsibilities than the previous groups.

(2) Level of Earnings from the Job :

Workers in this group have shorter lengths of service than the previous groups of workers. Hence, they get lower earnings (between £E40 and 70 per month). Both single and married workers in this group considered the level of their earnings as low.



(3) Work Opportunities outside the Company :

This group of workers prefer to leave the company rather than to have a second job. According to workers' comments, some have chances to go to Arab oil countries, because they know people who can help them (25 per cent of this category).

Others said that they were trying to find another job in Egypt which gives them higher earnings (48 per cent of this group of workers). These jobs could be in a private sector firm or in a joint venture scheme.

(4) Relationship with the Company :

Those workers consider their jobs in the company temporary. They are waiting till they get a better job. Some agree to work overtime, but this is because they cannot find another alternative outside the company at the present time.

Promotion does not have any meaning for them for they plan to leave, and because what they need is money.

Because those workers do not intend to stay, they usually argue with the supervisory staff. Foremen and supervisors said that whenever they talk to those workers about their unmannerly behaviour, or misconduct, they usually say they 'will leave it', i.e. they will leave the company. Because of that, and also because sometimes those workers give rude replies, foremen and supervisors said that they tolerate their behaviour only because of the shortages of labour in the company.

#### FOURTH : Victims of the System :

Included in this group are younger workers who have high family responsibilities, but have low earnings and do not have a second job. Their age is less than 30 and they represent about 15 per cent of our workers.

##### (1) Family Responsibilities :

This category includes workers who migrated to Cairo recently. Married workers pay high rent, but do not have suitable accommodation.<sup>(10)</sup> (Mean rent paid by this group = £E12, range = 22, mean rent for all the sample = £E8.26.) Single workers, from Cairo and from outside Cairo, are no better off (13 per cent of our workers are single). Their earnings are just enough to cover their essential needs, such as food and accommodation, and they cannot save to marry.

##### (2) Level of Earnings from the Job :

Those workers get low earnings (mean earnings = £E54 per month). They consider their earnings low, and some of them said it was 'less than low'.<sup>(11)</sup>

##### (3) Work Opportunities outside the Company :

Workers in this group do not have good opportunities for a second job outside the company. Most of them are new arrivals, they do not have enough experience, and they do not have contacts to help them get a second job. The only thing available to them is temporary work, such as carrying bricks on construction sites.

(4) Relationship with the Company :

Those workers have to continue with the company, because they do not have any other alternative. They said that they are like 'a mouse in a snare',<sup>(12)</sup> they want to get out of it, but cannot. Their earnings from the company are the main source to cover their family needs. Temporary work outside the company is typical manual labour which is hard. Because of that, they cannot work everyday. They agree to work overtime in the company when they do not find temporary work.

The situation of this group of workers is reflected in their behaviour and performance in the company. They get low earnings, while their family responsibilities are high. They have jobs similar to older workers, but get lower earnings. As a result, they fight in the workplace, they argue with foremen and supervisors, they hide and sleep in the workplace and pretend that they are sick and ask to see the doctor.<sup>(13)</sup>

The following table illustrates our workers' 'typical' responses discussed above.

TABLE 12/1

## THE WORKERS' 'TYPICAL' RESPONSE TO LABOUR CONTROL MECHANISMS IN THE COMPANY

Basis of Comparison Category	Family Responsibilities	Earnings from the Job	Work Opportunities outside the Company	Relationship with the Company
FIRST : Stayers with no Second Job	Low	High	Low	Intend to continue
SECOND : Stayers with Second Job	Moderate	Moderate	High	Intend to continue
THIRD : Workers planning to Quit	High	Low	High	Intend to leave
FOURTH : Victims of the System	High	Low	Low	Have to continue



In summary, our results reveal that material incentives are not used effectively in the company as means of motivation and control over workers. At the same time, human resources in the company are floundering. Worker turnover rates and intent to leave, discussed in Chapter 11, demonstrate this point quite clearly.<sup>(14)</sup>

Our findings also suggest that the 'bureaucratic socialism' in Egypt resulted in dividing the working class into sub-groups. Some workers are on top of the working class, some are in the middle, and others are at the bottom. While those on the top live comfortably others at the bottom are fighting to survive.

On top of the working class are those workers who have higher earnings. not because of the nature of their jobs, but as a result of their length of service. Those workers not only get higher wages, but they also own houses, or pay low rent. Moreover, some of them get part of the younger workers' earnings as rent. According to the comments of our workers, some younger workers rent a room, or a small flat, from a fellow worker, who is old, and they pay him over 20 per cent of their earnings in rent.

The sub-division in the middle includes workers who have a second job in the private sector. Their earnings from the company are not enough, but they are lucky to have a second job which enables them to cover their needs. However, there is a difference between this group and those at the top of the working class. Those in the middle are always exhausted. They finish their shift in the company to run to the second job, and after they finish their work in the private sector, they run back home. They may get home to find

a problem waiting for them, such as a sick child. . . Therefore, having a second job is rather a necessity for those workers to cover the needs of their families.

Workers at the bottom, have lower earnings because they have had shorter lengths of service. They may be doing similar jobs to older workers, but this does not matter in our bureaucratic socialism. What is important is length of service. We agree that length of service is a factor in wage determination, but it is not the only factor. Nature of work is another important factor, but it is forgotten in the rigid grade system of Egyptian bureaucratic socialism.

It could be argued that Egypt is a traditional society where age is respected. However, as noted in Chapter 6, younger workers considered higher payment to older workers unfair. They said that they do similar jobs and sometimes jobs which need more effort, but their earnings are lower than those of older workers, and they did not agree with that. It is clear that when there is a need to cover the necessities of families, respect to age becomes irrelevant. Due to the increases in the costs of living and inequality, even among workers, the society is becoming more materialistic. Nowadays everybody is more concerned about himself and his family than with ideals. Waterbury, for example, says about the 'bulk of the bureaucracy' in Egypt, that

"It would appear that the bulk of the bureaucracy, or some 2.4 million employees, hovers on the brink of poverty if it has not fallen into the pit already. A walking tour through Sayyida Zainab or Shubra in Cairo would provide ample visual evidence of the precarious material conditions of these subordinate groups ... The day-to-day scramble ... to meet their basic needs and maintain a modicum of dignity, undermines any tendency towards class or group awareness. It is rather a question

of each man and woman for him or herself . (15)

Finally, does this mean that Arab socialism in Egypt has not been successful? Our study focussed on labour control mechanisms at public enterprise level. There are other purposes of Arab socialism which might or might not have been achieved. For example, there are the purposes of : providing jobs to citizens, social and welfare services, and price subsidies on essential commodities. More research is needed to answer the previous question.



# REFERENCES

- (1) The company employed over twenty thousand people, but spent only £E1275 on training activities in 1981-82. These programmes included : (i) Computer Studies, (ii) English Language, (iii) Safety, and (iv) Applications of Socialist Laws related to wages and salaries. The total number of trainees who participated in those programmes was 14, all of them clerks and supervisory staff. With regard to training activities carried out inside the company, only one programme was executed in May 1982. This programme was carried out 'free' by the Co-operative Association for Petroleum. The trainees were 31 maintenance workers (ESCO, training section records, 1981-82).
- (2) When I asked some managers about the reason for that warning, they said that this is because some older workers warn new recruits not to work for the company, or even the textile industry generally, because the work is hard but wages are low.
- (3) Vatikiotis, P.J., op. cit., p.198.
- (4) We focus on earnings because, as noted before, our workers are instrumentally oriented.
- (5) As the workers said in colloquial Egyptian : **مستوره**
- (6) This category of workers said that when those factories were private, one of the owners used to see every day 30 workers for half an hour before the end of the shift. In this half an hour, he used to talk to them about what workers should do and what they should not do, in addition to incentives and penalties. For example, a worker said that the owner of the factory where he was working used to go around in the factory several times per shift. If he saw a piece of cotton on the floor beside the machines, it meant 'half a day without pay' penalty to the worker. The worker continued to say 'but look now how much cotton is on the floor, but nobody cares!'.
- (7) In Egypt, the man gives 'bride's marriage portion' but usually it is not enough to cover the costs of marriage. Because of that, the parents try to prepare some money to cover the costs of their daughter's marriage.
- (8) Some men may not have enough money to give 'bride's marriage portion', or the parents of the girl may not have the means to complete the furniture for their daughter's house. In such cases, the new couple try to complete the furnishing of their house after marriage.
- (9) Due to the shortage of accommodation in Cairo, and also because people who set up houses need sometimes to buy material from



the black market at higher prices. 'Key money' has to be paid by those who wish to get accommodation. This amount of money is lost, i.e. it is not considered as part of the rent. Although this 'key money' is illegal, it is necessary to pay it in order to get accommodation in Cairo nowadays. Our workers who looked for separate accommodation said that they needed between ££400 and 500 for that.

- (10) For example, a married worker with two children. He pays ££15 per month (about 25 per cent of his earnings) as rent for one room. In this room the whole family live; they cook, eat, sleep and even take a shower in that room.
- (11) As workers said in Arabic "أقل من القليل"
- (12) As workers said in Arabic "زى الفار فى المصيبه"
- (13) There was a proposal from workers to set up a mosque for prayers in one of the factories of the company which employed four thousand people. But management refused, saying that workers might hide there and sleep or take a rest.
- (14) In February 1983, the People's Assembly in Egypt decided to set up a committee to investigate the causes of the problems of the public textile industry in Egypt. As usually happens, such committees see only top management of some companies, who usually focus on financial and machinery difficulties and give little, if any attention, to human resources problems. (That Committee visited the company which is the basis of this study, during the interview survey.)
- (15) Waterbury, J., op. cit. pp. 249-250.

P A R T   I I I

ARAB SOCIALISM AND THE QUESTION OF LABOUR CONTROL  
AT WORK :     IMPLICATIONS OF THE STUDY

The findings presented in Part II showed that workers respond in different ways to the ineffectiveness of labour control mechanisms. These results give evidence that there is a need to redefine the role of the state. It is time to examine seriously the problems of human resources management in order to revive control at the workplace in public enterprise.

Part III of the study is divided into two chapters. In Chapter 13, we assess the impact of class conflict in Arab socialism on public enterprise. Then we offer two proposals to revive control at the workplace. Our purpose is to analyse the two proposals, but we do not intend to favour one alternative over another. Chapter 14 presents the conclusions and final implications of the study.

## C H A P T E R     T H I R T E E N

### CLASS CONFLICT IN ARAB SOCIALISM AND SOME SCENARIOS FOR THE FUTURE

In Arab socialism in Egypt class conflict exists but in a different way from that in the capitalist system.<sup>(1)</sup> With respect to public enterprise, three strata can be identified :

- (1) the workers
- (2) the bureaucratic elite, and
- (3) the political elite.

The bureaucratic elite and the political leadership try to control public enterprise in such a way as to guarantee stability in the system in addition to the power and other benefits which the two groups gain from the system. Control over workers is a key factor in achieving these purposes. This is because workers constitute a large group which can either cause trouble to the system, or be used according to the interests of the other two groups. As a result, any unrest among workers which is expected to cause difficulties in the continuation of the system is usually solved, sometimes by irrational decisions,<sup>(2)</sup> at the highest level. Hence, there is a sort of ad hoc crisis management. Waterbury, for example, demonstrates the interests of the bureaucratic elite in public enterprise, as he states that :

"Egyptian bourgeoisie could finally contemplate a state truly worth seizing. But that state had, by the middle 1960s, its own vested interests, and its own class, many of whose members were the scions of bourgeois families done in only a few years before. State autonomy was now underwritten by the growing presence of a large managerial class whose interests lay in its control - not ownership - of the means of production." (3)

At the same time, because the bureaucratic elite and the political



leadership have similar interests, there are always interchanges in the positions between the two groups. Moreover, Ayubi states that :

"Engineer Uthman Ahmad Uthman whose prominence started under Nasir. . . Probably among the richest handful of individuals in Egypt ... When Uthman's expanding empire was criticized in 1978, the President went out of his way in his subsequent speech to defend at great length the 'patriotic' qualities of Egypt's millionaire, and to confirm that the involvement of public personalities in dubious financial dealings was not as widespread as the press maintained." (4)

Workers, on the other hand, get guaranteed, but low wages. Because of that they do not give public enterprise all their labour power. The bureaucratic elite and the political leadership know this reality but they are not able and/or do not have the desire to face it. The reason is that they are interested in the continuation of the system, but any confrontation with workers may lead to the collapse of that system.

For example, there was a general strike in Egyptian industry in 1977.<sup>(5)</sup> The reason for the strike was that the government decided to increase the prices of some goods. This strike was 'put down only by the intervention (for the first time since the early fifties) of the armed forces'.<sup>(6)</sup> And because the strike was gauged heavily by the size of the noise of the demonstration, the government did not find any alternative but to abolish its decision to increase the prices. This strike could be an indication of what may happen if a confrontation occurs between the bureaucratic elite and the political leadership on the one hand, and the workers on the other. Because of this complex situation, both the workers and the bureaucratic elite take the easy way out and often say : 'live and let

live'.<sup>(7)</sup> A striking example on this point is given by Ayubi who states that :

"...a number of members and chairmen of boards of directors were found to be carrying out activities which represented a major part of the jurisdiction of the public companies in which they were employed, or they were forming similar firms in Egypt or in other countries that were in direct competition with the activities of the public companies which employed them. Some high personnel were found to be utilizing the means of transport and communication of the public sector as well as its staff - some of them were given leave of absence for the purpose - in order to promote and market their own private products."<sup>(8)</sup>

The efficiency of public enterprise is affected by the conflict between the bureaucratic elite interests and workers' interests. Both the workers and the bureaucratic elite are more concerned about their own interests, than the efficiency of public enterprise. At the same time, the bureaucratic elite can find enough reasons to justify any failure; reasons such as controlled prices or socialist laws. And this is an important difference between class conflict in the capitalist system and that in Arab socialism in Egypt.

Capitalists look after their interests which cannot be achieved without improving the efficiency of the enterprise.<sup>(9)</sup> Workers, on the other hand, cannot get higher wages easily without increasing their productivity. But in Egypt, each class can work according to its interests, and the government is ready to back up public enterprise with subsidies. This has bad effects on the economy of the country as discussed later in this chapter.

On the whole, the bureaucratic elite are occupied by their interests, for which public enterprise is used as a means. Workers watching what is going on decided to do the same. The question regarding the

future remains unanswered, and to this we now turn.

#### Some Scenarios for the Future :

It could be argued that the present study was carried out in one public enterprise, hence it would seem difficult to talk about reform in public enterprises in general on the basis of one case study. However, we reckon that the situation in our case study is similar to that in other textile companies for three reasons. First, all the companies are controlled by the same set of laws. Second, all the companies work in the same environment. Third, there is a Higher Council which supervises all textile companies. Hence, our discussion about reform could be applied to other textile companies.

We also recognize that rewards and sanctions in other industries are subject to the same constraints imposed upon the company which is the basis of the present study. For all public sector manufacturing enterprises are controlled by the same set of laws and regulations enforced by the government. However, our suggestions for reform do not necessarily apply to other industries. This is due to three reasons. First, we do not have information about workers' orientation to work in other industries, which is important for the assessment of the effectiveness of management policies as a means of control over workers. Second, each industry uses different technology which influences technical control as a partial means of control over workers. Third, we have seen how workers in the textile industry react to management policies, but we do not have information about workers' reactions in other industries. Therefore, our discussion is rather concerned with public textile enterprise.



We would propose two alternatives for the future. The first proposal is to denationalize public enterprise, and the second is to reform human resources development policies.

#### De-nationalization of Public Enterprise :

The first argument could be that denationalization will result in the exploitation of workers by capitalists who will concentrate on accumulation of capital rather than workers' interests. But by socialist laws, workers became part-owners of public enterprise, however, there was dissipation instead of accumulation of capital. One of the reasons for this is socialist laws which could be considered the essential reason for the absence of control at work.<sup>(10)</sup> It could be said that control is a managerial job, hence it is not related to socialist laws. But how can managers play their roles while, as noted in the first chapter, they occupy positions like that of civil servants. For they serve at the discretion of the political elite to a great extent.

Also, it may be argued that denationalization is against the benefits awarded to workers by socialist laws. But we should differentiate between work organizations and social welfare organizations. To be sure, public enterprise in Egypt has been serving the two purposes for two decades, since the early sixties. Workers wages are related neither to the nature of the job, nor to performance. Disabled workers, for example, get high wages than other workers who have shorter lengths of service. Ad hoc decisions are usually taken by the political leadership to face any general unrest among workers. For example, on some occasions all workers were awarded exceptional rises by political decision, for reasons unrelated to productivity in any way. Moreover, it is nowadays a usual expectation that



workers are given, by political decision, fifteen or twenty days extra pay on certain occasions, such as the Workers' Festival, the beginning of the academic year and the Feast of Ramadan.<sup>(11)</sup> Such decisions have their effect on the efficiency of public enterprise. At the same time, we could not consider them as rational economic behaviour, although they may be felt to be politically rational.

Additionally, it may be argued that denationalization will bring back the class system to Egypt. But it cannot be denied that this system exists in Egypt today. There are businessmen, professionals and the bureaucratic elite. At the same time, as a result of the open door policy, a new class was created in Egypt. In the late 1970s this new class were known as the 'fat cats'. This class includes a group of people who managed to accumulate wealth through the 'open door' policy. Abdel Khalek states that :

"Analysis has shown that a change in the entire social pyramid is now in progress, thanks to infitah.<sup>(12)</sup> Comprador elements are riding high in the new environment, and to this group now belong many of the leading figures of the post-1952 regime, in addition to the old families which are making a comeback."<sup>(13)</sup>

Furthermore, it could be argued that public enterprise is important for the purpose of development. However, if we examine the situation deeply, a serious problem will appear. One of the essential reasons for that problem which will be discussed in a moment, is the relationship between wages and productivity. Kitching says about this relationship in a capitalist system that :

"... it remains true that in a competitive world capitalist system, so long as its real productivity remains comparatively low, the British working class will experience a comparatively slow growth in its real wage level ...

.... If the bosses don't have the money, they can't pay, can they? If they are making losses, they must lay people off, musn't they? Yes, they must." (14)

But in Egypt, workers get their wages, annual increments, and benefits, irrespective of their productivity or the results of the activities of the enterprise. Also, because of socialist laws and government intervention, labour costs may go up while productivity is going down. At the same time, the government fix the prices of some products below costs for different reasons. Because of all these reasons, the government subsidize the companies which are trading at a loss. As a result, public enterprise has been unable to provide the capital required for programmes of development. Therefore, the government has to resort to borrowing abroad to finance its economic development projects. This may lead to trouble in the future because of debt servicing and the increasing burden on Egypt's balance of payments. What occurred in Brazil could be a good example in this context. A report on Brazil states that :

"... the military coup of 1964 inaugurated first a period of rigorous economic stabilization and then almost a decade of very rapid growth .... An unprecedented marriage of private capitalism and state intervention produced a growth spurt unmatched in recent Latin American history." (15)

But the situation of Brazil in the 1980s is different. Humphrey and

Wield state that :

"... the rise in the price of oil and because of the increase of imports ... combined with the outflow of profits, dividends and interest from earlier loans, created a balance of payments problem that was resolved by more and more borrowing .... in 1980 the government was forced to abandon its policy of 'growth at any price' ... The eighties look rather more difficult for Brazil than were the seventies." (16)

Egypt may face a situation similar to that of Brazil with regard to foreign loans. Hansen and Radwan state, about Egypt, that :



"With traditional exports declining, if anything, and imports continuing to grow as a condition for increased domestic expansion, non-traditional revenues must continue increasing at the same rate as during the past five years lest the country become ever more dependent upon aid and foreign loans. Should non-traditional revenues fail to grow sufficiently fast, other sources of exchange revenues would have to take their place. Should these not be forthcoming, the country would be in trouble with regard to investments, employment and food supplies." (17)

Perhaps Peru provides an example of denationalization in the Third World countries. The Peruvian model for development introduced in the late sixties and early seventies included nationalization of some industries. Ferner stated that :

"By mid-1975, the state controlled over two-fifths of 'modern-sector' economic activities (i.e. excluding subsistence farming, crafts, the urban 'informal' sector, etc.)." (18)

The Peruvian model discouraged private capital to increase its investment in industry. This was due to :

".... the threat to the private sector posed by the expansion of the state ... (and) the negative effects of some of the regime's policies, especially those concerned with workers' participation, on the bourgeoisie's ability to control and discipline the working class." (19)

In 1975 President Velasco was overthrown by General Morales. The latter's regime carried out a process of reform to reduce state intervention. Parts of the state sector were opened to private investment and the social property system was replaced by a simple profit sharing scheme. At the same time there was an attempt to control and discipline the working class. In one year, 1978, real wages declined 38 per cent in the private sector and 50 per cent in the public sector. (20) The working class responded by two 'successful general strikes' in 1977 and 1978, but a general strike called for January 1979 was a 'failure'. (21)

An important lesson can be learned from the Peruvian case. That is, if a process of denationalization is decided on in Egypt, workers' responses should be considered well before taking any action. It should also be recognized that there may be covert responses from the beneficiaries of the existing system. Bruton states correctly that :

"To suggest that Egypt should simply remove all its price controls and subsidies, sell (or give away) all its public sector companies, etc. .... is to act as if a fundamental constraint were not present .... Similarly efforts to move the system towards greater reliance on general market signals is opposed by those groups now able to influence allocative decisions and controls to their advantage." (22)

Moreover, Egypt is not the only country which faces problems in its socialist approach. Tanzania provides another example in this regard. In 1967, as in 1961 in Egypt, a large number of firms were brought under state control. Williams says about the system in Tanzania that :

"The objective of the planning system is to allocate resources across the board, control prices and wages, and generally control business activity in any other manner necessary ... The incentive-structure to which the parastatal manager responds offers little in the way of personal financial rewards and, in any case, may focus on surpluses which are more related to windfall gains from the pricing system than to productive efficiency." (23)

Bureaucracy also exists in the Tanzanian public sector, like Egypt.

Shivji states that :

" ... the bureaucratic method of decision-making and the technocratic method of implementing are two sides of the same coin. They in fact reflect in ideology, the very material conditions of reproduction of the 'bureaucratic bourgeoisie' : The control of the state, on the one hand and the state control of the economy, on the other." (24)

Furthermore, Hyden points out that :



"The whole matter of manpower utilization has been tackled in Tanzania from the point of view of the system at large, Nyerere has ignored the micro-efficiencies of individual organization in favour of the macro-efficiency of the policy-making system as a whole ... The enlarged public sector was conceived by the Tanzanian leadership as the principal instrument for generation of surplus capital ... it is clear that the performance of the public sector has been below expectation." (25)

Comparing the Tanzanian case with what is mentioned in the first chapter about the public sector in Egypt indicates that there are some similarities in the two cases. At the same time, the three examples of Brazil, Peru and Tanzania indicate that Egypt is not unique with respect to the problems of state intervention and her socialist approach.

Hansen and Radwan, talking about reform in Egypt, say that :

"...public enterprise autonomy will not be fully re-established without a fundamental change in attitudes from the supervising ministries, separating clearly the functions of ownership and management from one another, with ownership functions handled by the ministry and management functions reserved for the enterprise management... The solution to all these problems seems simply to be to let all public enterprises 'go private' (they do, of course, remain public property subject to ownership control by the Government)" (26)

Discussions are going on in Egypt today about a proposed body called a 'holding company', to replace the Higher Council. It is proposed that a 'holding company' will carry out the functions of ownership with regard to public enterprise. But, in the light of the previous experience in Egypt, it seems to us that this change may not achieve the hoped for results, and will be only a change in name from 'Higher Council' to 'Holding Company'.

This is due to the fact that bureaucrats in ministries will continue

to exist, with their interests in both power and benefits. Therefore, although the intention may be to free public enterprise, the proposed organization may work differently. Because of this we do not agree with Hansen and Radwan that the separation of ownership and management functions alone will solve public enterprise problems.

Moreover, there is a contradiction in Hansen's and Radwan's proposal. They talk about 'fundamental change' and following that they propose only separation between ownership and management of public enterprise. It seems that they did not recognize that changing attitudes is not an easy process, especially in a bureaucracy which 'has been entrenching itself for 5,000 years, while that of other countries has had much less time to dig in'.<sup>(27)</sup> It could be argued that the public sector started in Egypt only about twenty years ago, hence, bureaucracy does not go back to that time. But Hansen and Radwan themselves say that public organizations interfered in the minute details in the enterprises. They state that :

"Public enterprise in Egypt were from 1961 to 1975 subordinated to 38 public organizations. .... These years witnessed an over-all collapse of management efficiency in the public sector, with government bureaucracy increasingly restraining and substituting for enterprise management proper. .... A new organizational system was introduced, the effect of which so far has been to replace bureaucratic with political predominance..(28)

We do not agree with Hansen and Radwan that 'political predominance' in public enterprise came after 1975. Our disagreement is due to the fact that public enterprise was used from the very beginning as a means in the political struggle. And most, if not all, the decrees and laws which provided guaranteed wages, protection and benefits to workers were for political purposes in the first place.<sup>(29)</sup> At the same time, Hansen and Radwan failed to

recognize that, like most bureaucracies, the Egyptian bureaucracy is difficult to challenge. Waterbury, for example, states that :

"It has always been difficult in all systems, including revolutionary and/or Marxist states, to indoctrinate and mobilize bureaucrats. Even in socialist, party-dominated states, the apparatchiki tend over time to reduce the party to yet another bureaucratic agency." (30)

To be more straightforward, the 'fundamental change' proposed by Hansen and Radwan could be achieved through a process of denationalization. This can be a real solution to improve the efficiency of Egyptian enterprises and put an end to irresponsibility. Obviously this requires more than just a decision to denationalize public enterprises. It should be decided which enterprises will be denationalized first. How? And when? We would suggest that denationalization can be started with some enterprises. This is because, to be realistic, sudden change is impossible for political, and perhaps symbolic, reasons. The criteria of the selection of some enterprises have to be decided by the Egyptian planners. Examples of these criteria could be : type of products, capital investment and markets of distribution.

The question may also be raised about workers' and management responses to denationalization. Management is also mentioned in this context because, although some managers may desire responsibility, many may be happy with the present situation which provides them with authority and security with little, if any, responsibility. This may point to a need for further study of the attitudes of management towards the organization form of public enterprise. Regarding workers, the results of the present study clarify an important point. That is, it is argued that public enterprise provides workers with a



guaranteed job, i.e. security. But our results reveal that workers perceive security in terms of their earnings, rather than as a guaranteed job only. And it is because of low wages that workers leave public enterprise and go to Arab oil countries. Therefore, workers may welcome any change which gives them a substantial increase in their earnings. At the same time, a decision of denationalization could be accompanied by an enactment of Labour Law, but a rational one, to control the relationship between workers and employers.

Finally, although denationalization may seem a radical proposal, it is not an impossible one. Hansen suggests that a citation of the non-socialist orientation of the Egyptian elite was provided by Sadat who :

"... a decade later could play down Arab socialism so easily without changing anything of substance in the edifice that Nasser built, except, perhaps - to the benefit of the establishment - opening the door to corruption (oil money in particular) and increased inequality of distribution of income and letting foreign capital in on the fringe of the system, the system itself remaining unchanged." (31)

Moreover, Ayubi states that :

"It is suggested that Egypt's open door policy represents the outcome of developments on three distinct levels : the domestic, the regional and the international. Domestically, it was a result of Nasser's development experiment of 'socialism without socialists'. Nasser's experiment, which relied heavily on the managers and technocrats in a mixed economy that boasted a private, as well as a public sector, was bound under the slightest hardship or the slightest temptation to turn its back to its socialist ideals." (32)

### Reform of Human Resources Development Policies :

The second alternative to revive control at the workplace is to reform human resources development policies. The first reform required is to secure an independent base for public enterprise management as professionals. To achieve this purpose the first problem which should be considered is ad hoc decisions which are usually imposed upon public enterprise for macro-economic and/or political purposes. This is an obstacle to the efficiency of public enterprise, because, for example, companies may suffer losses but by political decisions workers get a 'profit share'. This occurred in ESCO in the last three years. This affects not only labour costs, but also the behaviour of enterprise management and workers. Managements may find political intervention an excuse to cover inefficiency in their enterprises, such as failure in planning or marketing. Workers, on the other hand, are not affected by enterprise profits or losses, for in both cases they get their wages and benefits, and even 'profit share' even when the company has losses!

Reform of wage and salary structure should be the next step. This reform could be considered the cornerstone of the reform of all human resources development policies. Ways should be found to relate wages to performance, instead of the present rigid grade system. Machine operators' wages should be based on a real bonus system. The existing system requires revision in order to remove inequity and motivate performance. Work standards should be established on the basis of work study instead of guess-work used now. Piece-rate needs to be examined, as the present rates do not motivate machinists because they are low. As noted before, rates have not been changed since

1962, after nationalization, unless a new machine was introduced. It is also important that changes in costs of living and the private sector wages should be taken into consideration in determining basic wages. The percentage of bonus payment to total earnings should also be high enough to encourage machine operators to improve their performance. This indicates a need for an examination of the existing system of 'guaranteed-wage'. With regard to maintenance and auxiliary workers, their wages should be based on a job evaluation programme, added to that, a group incentive scheme. Using a group incentive scheme is important because, as noted before, co-operation among workers in the textile industry is essential for improving productivity.

Regarding performance appraisal, at the present time appraisal forms are filled in more than once per year for all workers, even disabled people. But comparing the costs of the clerical work required and the costs of printing the forms with its real use, shows that it is actually a waste of time and money. It would be better that supervisors assess and reprimand or praise workers as performance occurs, and fill in appraisal forms only once per year. There is also a need to consider the appraisal traits used at the present time, which are all subjective. It is, of course, difficult to establish and execute a completely objective system. However, any move towards objectivity will be better than the existing situation. Nowadays workers get their annual increment as a routine, and this should be considered with a view to using the annual increment as an incentive.

Reform should also include an examination of job security policy. As noted before, workers perceive job security in terms of their



earnings. At the present time, management sympathize with workers, because they agree that workers' earnings are low compared to the cost of living and private sector wages. This reduces the effectiveness of disciplinary sanctions to the lowest level. Therefore, to change the present practice of discipline, the wages level should be raised, and management should be given more freedom to set the disciplinary rules which suit the nature of the work.

At the same time, a system should be established to relate company performance to incentives for top management. This is required to encourage management initiative and to persuade capable managers to continue with public enterprise. Finally, it is essential to start the process of revision by explaining its purposes to workers in order to get their acceptance and support. Also, training and development programmes should be planned and carried out to prepare employees and managers for the process of revision and change. The proposed revision requires a political decision and complete support from the government, for management cannot face workers' responses alone.

## REFERENCES

- (1) For details about class conflict in the capitalist system, see for example :
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  - Edwards, R., op. cit.
  - Clegg, S., The Theory of Power and Organization, Routledge and Kegan Paul, London, 1979.
- (2) We mean in this context, economic irrationality.
- (3) Waterbury, J., op. cit., p. 234.
- (4) Ayubi, N.N., "Implementation Capability and Political Feasibility of the Open Door Policy in Egypt", in Kerr, M.H. and Yassin, E., Rich and Poor States in the Middle East : Egypt and the New Arab Order, Westview Press Inc., Boulder, Colorado, 1982, p.353.
- (5) This strike was not arranged by workers' unions or by any other organization, because strikes are illegal in Egypt. It was rather a reaction from most Egyptian workers.
- (6) Ayubi, N.N., op. cit., p. 406.
- (7) In Arabic **ديايم عيش وسيب غيرك يعيش**؛
- (8) Ayubi, N.N., op. cit., p. 354.
- (9) The capitalist cannot maintain or increase his profits by raising prices because of the competition.
- (10) Dissipation was also due to other reasons such as inadequate investment and controlling the prices of some products, but these reasons cannot be discussed in this context.
- (11) Ramadan is the month in which Muslims fast, and the feast is at the end of that month.
- (12) 'infitah' is an Arabic word which means 'open door policy'.
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- (20) Ibid, pp. 58-59.
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- (25) Hyden, G., Beyond Ujamaa in Tanzania, Heinemann Educational Books Ltd., London, 1980, pp. 178-179.
- (26) Hansen, B. and Radwan, S., op. cit., p. 216, 218.
- (27) Bruton, Henry J., op. cit., p. 703.
- (28) Hansen, B. and Radwan, S., op. cit., p.214.
- (29) For details see :
  - Cooper, M.N., op. cit., especially Chapter 2.
  - Vatikiotis, P.J., op. cit., especially Chapter 10.
- (30) Waterbury, J., op. cit., p. 251.
- (31) Hansen, B., "Arab Socialism in Egypt", World Development, Vol. 3, No. 4, April 1975, pp. 201-211.
- (32) Ayubi, N.N., op. cit., pp. 349-350.



## C H A P T E R      F O U R T E E N

### SUMMARY AND CONCLUSIONS

The study has examined and attempted to throw into relief the impact of socialist laws on the effectiveness of human resources development policies, as a means of labour control at the workplace in the Egyptian textile industry. At the beginning, we examined workers' orientation to work. The results indicate that our workers are instrumentally oriented, for they consider earnings from the job by far the most important job-related characteristic. The data also reveal that management understand the importance of money to workers. However, the two groups agree together that the present level of workers' earnings is low.

In spite of the instrumental orientation of our workers, the payment system is not used effectively as a managerial tool for control purposes. For it is indicated that the workers' starting wage is fixed according to the level of education and they are awarded an annual increment depending on grade. Therefore, older workers get higher earnings than younger workers, despite the fact that they may be doing the same job. Multiple regression analysis indicates that the return for experience is higher than the return for education, and that experience explains a higher percentage of variance in earnings than the percentage explained by education. Piece-rate payment does not encourage younger machinists to exert more effort because the piece-rate is low. It also does not encourage older machinists because piece-rate payments represent a low percentage of their total earnings. Moreover, the incentive scheme effect is low for two reasons. First, the supervisory staff get a higher amount of incentives than the workers and workers think that this

is unfair. Second, to get a considerable amount as incentives, workers need to work overtime, which they do not like as this limits the number of hours they can work outside the company, getting higher or equal pay to that which they would earn doing overtime for the company.

At the same time, promotion policy does not have an incentive effect, because wages depend on grades rather than jobs. Therefore, a worker may be promoted to a higher job without getting an increase in his wage as long as his grade has not been changed. Moreover, because grade wages overlap considerably, a worker may be moved to a higher grade without getting an increase in his pay. In addition, workers and management agreed together that the chances of workers' promotion in the company are poor, or hopeless, which is confirmed by the company records.

Regarding workers' appraisal, it serves the purpose of awarding the annual increment. But workers and management said that appraisal is unfair, because management help poor performers to get their annual increment. The company records reveal that less than 2 per cent of the workers were rated poor in the last three years. Also, appraisal has no effect on promotion. According to Labour Law a worker must be rated excellent in <sup>two</sup>~~10~~ consecutive years in order to be considered for promotion. But the company records indicate that on average 20 per cent of the workers are rated excellent every year.

Disciplinary sanctions are also not used effectively as a means of labour control in the company. Discipline is considered a sanction

of last resort, mainly because the company suffer from a shortage of labour as a result of the low level of wages. In addition, workers are protected by socialist laws. Over 50 per cent of workers and management agreed that discipline is easy going. The important reason - as management said - is that workers feel that they cannot get worse. Hence, they react to disciplinary actions by argument or absence from work, which creates problems for the supervisory staff in the company.

Our results indicate that low wages and absence of control affect workers' behaviour in different ways. For example, some plan to quit and others have a second job in the private sector. High turnover rates led to shortage of labour in the company. At the same time, having a second job affects workers' input effort in the company, for they try to save their labour power for the second job where they are paid only on the basis of their effort.

Therefore, it is evident that public enterprise management have limited control over rewards and sanctions. This can be traced back to the massive nationalization decisions in the early sixties, and the process of bureaucratization which brought public enterprise under the operational sphere of the Civil Service. The political leadership is the only force that stands between workers and public enterprise, since the possibilities for any betterment in 'work rewards' depends on political decisions. Besides, the interests of the bureaucratic elite can affect the decisions which are related to public enterprise. As a result, public enterprise management have become powerless even to enforce work - rules established by Labour Law. At the same time, because of centralization, public enterprise



management who know the problems do not have the power to change the situation.

Daily newspapers and magazines in Egypt are filled with stories about the importance of productivity. But, this is a far cry from real solutions, because with the absence of effective means of labour control at work, any improvement in labour productivity is impossible. In this regard, moral incentives are not enough, for our findings reveal that what workers actually need is material incentives.<sup>(1)</sup>

Therefore, there is a need to reform human resources development policies in public enterprise. But is change possible? In other words, can the groups who have the power correct the errors and change the situation in public enterprise? It is indicated in our dispute that class conflict which exists in capitalism is also present in Arab socialism. But there is an important difference between the two systems. Capitalists always try to accommodate class conflict depending on economic criteria to the greatest possible extent. In Arab socialism, on the other hand, the groups who control the means of production, and who gain privileges from the existing situation, also try to accommodate class conflict but not on the basis of economic criteria. They are interested in the continuation of the establishment rather than profits or accumulation. And for this purpose, they are always ready to make any decisions, irrespective of economic rationality.

Egypt is not unique in her experience with public enterprise. In Third World countries the adoption of socialism was rather based on rejection of colonialism and dependence. Public enterprise was

created by revolutionary movements in order to pull out of the capitalist system which colonized their countries.<sup>(2)</sup> Therefore, in addition to political purposes, public enterprise was intended to help those countries in their efforts to achieve development. But the experience of Egypt and other countries such as Tanzania, indicates that public enterprise has not been successful in its role in economic development. This is due to many reasons. Public enterprise production, prices, wages and investment are determined by central authorities. As a result, problems at public enterprise level are usually sacrificed in order to solve macro-economic problems, as indicated in the Egyptian and Tanzanian cases.

What makes the situation in public enterprise worse, is that while these regimes usually pump workers up with increases in wages, it is not easy to establish self-discipline amongst workers. Instead, irresponsibility appears and public enterprise management find it difficult to maintain discipline at the workplace, as indicated in the Egyptian and Peruvian cases. The natural result of these problems is inefficiency of public enterprises. Because of that, states have to subsidize those enterprises to offset their commercial failure. This in turn, has undesirable effects on investment and the need for foreign loans.

Additionally, the experience of Tanzania, Cuba and Burma are similar to our results regarding the importance of material incentives to motivate the labour force.<sup>(3)</sup> Revolutionary regimes cannot depend on moral incentives for a long time. For workers' consciousness starts to appear, especially after the strata who gain privileges from their control of the means of production become publicly known.

It is our belief, in the end, that Egypt's economic development cannot be achieved by importing modern technology alone. Unless the problem of labour control at work is solved, in addition to solving the financial and pricing problems of public enterprise, sluggish economic growth will continue.



## REFERENCES

- (1) For example, during Ramadan in 1983, ESCO arranged a <sup>break-fast</sup> ~~breakfast~~ for workers with the Chairman of the company. One worker was supposed to be selected from each section to attend that ~~break~~fast. From observation, the supervisory staff were trying to persuade workers to go, as nobody wanted to.
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A P P E N D I X (1)Table (1)Number of Nationalised Companies Until 1963-64

Type of Activity	No. of Companies
Manufacturing and Mining	303
Agriculture	27
Communications	22
Trade and Commerce	426
Housing and Social Welfare	79
Cultural Amenities	8
Total	865

Source: O'Brien, P., The Revolution in Egypt's Economic System,  
Oxford University Press, 1966, pp 180-181

Table (2)

Percentage Distribution of Income and Household Consumption Expenditure  
(Nationwide)

Income group	Consumption expenditure 1974-75	Income 1975	Income 1976
Lowest 60 percent	33.62	34.9	33.7
Middle 30 percent	37.86	30.2	31.7
Top 10 percent	28.52	34.9	34.6

Source: El-Issawy, I H, Employment Inadequacy in Egypt, International  
Labour Organisation, Geneva, 1983, p 6.

Table (3)

Employment in the Four Industrial Sectors Supervised by the Ministry of Industry in 1979

Sector	Number	%
Textiles	295474	50
Food	90175	15.2
Chemicals	62776	10.6
Metallic products	120925	20.6
Mining	22072	3.7
Total	591422	100

Source: Ministry of Industry, Annual Report, Cairo, 1980, p 37.

Table (4)

Percentages of Gross Value added by the Four Industrial Sectors Supervised by the Ministry of Industry 1977 to 1979

Sector	1977	1978	1979
Textiles	38.7	40.8	37.7
Food	14.8	15.9	15.1
Chemicals	13.7	13.4	12.9
Metallic products	29.9	27.1	30.8
Mining	2.9	2.8	3.5
Totals	100	100	100

Source: Ministry of Industry, Annual Report, Cairo, 1979, p 117, 1980, p 113



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Totals	100	100	100

Source: Ministry of Industry, Annual Report, Cairo, 1979, p 117, 1980, p 113

Table (5)Earnings and Productivity in Textiles

Country	Productivity <sup>(a)</sup>		Hourly Earnings	Labour cost per unit of production	
	UK = 100	US = 100	US = 100	UK = 100	US = 100
UK	100	56	96.6	100	141
Belgium	155	87	173.8	139	196
France	132	74	95.3	111	157
West Germany	155	87	168.1	137	193
Holland	154	86	170.0	152	215
Italy	136	76	124.8	107	151
USA	179	100	100.0	71	100
Japan	132	74	82.2	72	101
Portugal	75	42	27.7	45	64
Egypt	25	14	6.2	30	43
Pakistan	23	13	5.7	33	46
Turkey	73	41	18.0	34	48

(a) Value of output per man

Source: Werner, based on 1980 comparisons, in: Cable, Vincent and Baker, B, World Textile Trade and Production, Special Report No 152, The Economist Intelligence Unit Ltd., London, 1983, p 56

Table (6)ESCO Local Sales and Exports in 1981/82

Type of product	Unit of Measurement	Local Sales		Exports	
		Amount	Value £E	Amount	Value £E
Cotton yarn	Ton	7987	13977087	3267	7734663
Rayon yarn	Ton	1110	2134106	15	35970
Finished cotton cloth	1000 meters	66809	22951559	449	386732
Remainder of finished cotton cloth	Kilogram	93365	171067		
Finished wool cloth	1000 meters	654	3357400		
Towels	1000 dozen	96	776375		
Cotton sheets	1000 units	13	75364		
Work done for clients			905697		
Total			44573127		8157365

Source: ESCO, Annual Report, 1981/82, pp 11-12

Table (7)Total Number of Respondents by Activity

Activities	N	%
Cotton spinning	108	30.8
Cotton weaving	105	29.9
Cotton dyeing and finishing	58	16.5
Wool spinning, weaving and finishing	46	13.1
Rayon spinning	34	9.7
Total	351	100



Table (8)

Summary Characteristics of the Respondents

Characteristics Occupation	Mean Age	Mean Tenure	Mean Previous Experience	Mean Total Experience	Percent worked only for the Company	Mean years of Education	Percent of Illiterate	N
Auxiliary workers	38.06	17.21	1.18	18.38	76.5	2.44	67.6	34
Machine operators	37.89	17.43	1.61	19.03	68.4	2.30	70.9	117
Maintenance workers	35.92	15.78	1.34	17.12	72	5.64	44	50
Foremen and supervisors	45.37	25.36	1.49	26.85	62.8	4.52	24.9	86
Higher Levels (a)	46.92	22.59	4.30	26.89	42.2	9.67	26.6	64
All	41.11	20.06	1.99	22.04	63.5	4.68	55.0	351

(a) This group includes: section managers, sections managers, department managers and plant managers

Table (9)  
Demographic Characteristics of the Respondents

Occupation	Percent of Married	No of child- ren per married respondent	No of children dependents per married respondents	Percent of Non-Cairo born	*	Percent who have second job	Percent whose wife work	N
Auxiliary workers	82.4	4.0	4.81	41.2	42.9	50	0	34
Machine operators	87.2	3.83	4.47	41.9	69.5	39.3	2	117
Maintenance workers	88	3.51	4.51	40	60.0	54	7	50
Foremen and supervisors	97.7	4.95	5.14	58.1	53	n.a.	13.1	86
Higher Levels (a)	100	3.5	3.61	56.2	58.8	n.a.	39.1	64

n.a. = Not available

(a) This group includes: section managers, sections managers, department managers, and plant managers

\*This group includes: Non-Cairo born who visit hometown three times or more per year.

We report more than 3 visits per year because there are two feasts per year in which most people go back home.  
These are Ramadan and pilgrimage feast.

Table (12)

The Effects of some Variables on Workers Perceptions of whether they work only for Money

Source of Variation	Sum of Squares	Significance of F
Covariates	0.003	0.816
Age	0.003	0.816
Main Effects	0.586	0.075
Education	0.120	0.497
Hometown	0.309	0.048
Marital status	0.115	0.131
Explained	0.712	0.054
Residual	9.686	
Total	10.398	

Table (13)

Whether Workers Work only for Money by Hometown

Hometown	Village		Town		Cairo		Total	
	N	%	N	%	N	%	N	%
Agree	75	100	8	100	107	90.7	190	94.5
Disagree	0	0	0	0	11	9.3	11	5.5
Total	75	100	8	100	118	100	201	100

Note  $\chi^2 = 8.185$

$P < .05$

Table (14)Workers Perceptions of the Level of Earnings by their Earnings

Earnings	-60		61-80		81-100		101-120		121+		Total	
Level	N	%	N	%	N	%	N	%	N	%	N	%
Low	56	82.4	62	87.3	35	83.3	11	78.6	3	50.0	167	83.1
Moderate	11	16.1	9	12.7	5	11.9	1	7.1	2	33.3	28	13.9
High	1	1.5	0	0	2	4.8	2	14.3	1	16.7	6	3.0
Total	68	100	71	100	42	100	14	100	6	100	201	100

Note  $\chi^2 = 16.355$  $P < .05$ Table (15)Perceptions of Fairness of Management by Occupation

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Level of fairness	N	%	N	%	N	%	N	%
Low	36	17.9	8	9.3	3	4.7	47	13.4
Moderate	132	65.7	51	59.3	35	54.7	218	62.1
High	33	16.4	27	31.4	26	40.6	86	24.5
Total	201	100	86	100	64	100	351	100

Note  $\chi^2 = 22.667$  $P < .01$



Table (16)

The Effects of Some Variables on Workers Perceptions of the level of Security in their Jobs

Source of variation	Sum of Squares	Significance of F
Covariates	2.241	0.003
Earnings	2.241	0.003
Main Effects	2.269	0.336
Occupation	0.142	0.752
Marital Status	1.333	0.021
Education	0.726	0.405
Hometown	0.459	0.398
Explained	4.604	0.035
Residual	47.375	
Total	51.979	

Table (17)

Workers Perceptions of the Level of Security in their Jobs by Earnings

Earnings	-60		61-80		81-100		101-120		120+		Total	
Level	N	%	N	%	N	%	N	%	N	%	N	%
Low	11	16.2	10	14.0	3	7.1	1	7.1	0	0	25	12.4
Moderate	51	75.0	54	76.1	33	78.6	9	64.3	2	33.3	149	74.2
High	6	8.8	7	9.9	6	14.3	4	28.6	4	66.7	27	13.4
Total	68	100	71	100	42	100	14	100	6	100	201	100

Note  $\chi^2 = 21.431$

$P < .01$

Table (18)

Perceptions of Present Level of Security in Workers Jobs by Occupation

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Level of security	N	%	N	%	N	%	N	%
Low	25	12.4	6	7.0	5	7.8	36	10.3
Moderate	149	74.2	65	75.6	37	57.8	251	71.5
High	27	13.4	15	17.4	22	34.4	64	18.2
Total	201	100	86	100	64	100	351	100

Note  $x^2 = 15.994$

$P < .01$

Table (19)

Workers Perceptions of the Chances of Promotion by Education

Education	Illiterate		Primary & Preparatory		Secondary		Total	
Chances of Promotion	N	%	N	%	N	%	N	%
Low	123	96.1	47	92.2	15	68.2	185	92.0
Moderate	5	3.9	4	7.8	6	27.3	15	7.5
High	0	0	0	0	1	4.5	1	0.5
Total	128	100	51	100	22	100	201	100

Note  $x^2 = 23.473$

$P < .01$

Table (20)

Things which Workers think about after Work by Occupation

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
Things	N	%	N	%	N	%	N	%
Workers do not think about their work	29	85.3	98	83.7	30	60.0	157	78.1
<u>Things other workers think about:</u>								
Effort at work	4	11.8	10	8.5	0	0	14	7.0
The work done during the shift	0	0	7	6.0	7	14.0	14	7.0
A problem related to the work itself	1	2.9	0	0	11	22	12	6.0
Low income	0	0	1	0.9	2	4.0	3	1.4
Effort and Low income	0	0	1	0.9	0	0	1	0.5
Total	34	100	117	100	50	100	201	100

Note  $x^2 = 27.341$

$P < .01$

Table (21)

Workers Preference of Doing Another Job in the Company

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
Prefer	N	%	N	%	N	%	N	%
Yes	9	26.5	38	32.5	5	10	52	25.9
No	25	73.5	79	67.5	45	90	149	74.1
Total	34	100	117	100	50	100	201	100

Note  $x^2 = 9.410$

$P < .01$

Table (22)

Other Jobs which Workers Prefer to do in the Company by Occupation

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
Preference	N	%	N	%	N	%	N	%
Workers do not prefer other jobs	25	73.6	79	67.5	45	90	149	74.1
<u>Other jobs preferred by other workers:</u>								
Production	1	2.9	8	6.8	1	2	10	5.0
Clerical	2	5.9	4	3.4	2	4	8	4
Maintenance	5	14.7	17	14.5	0	0	22	10.9
Security staff	0	0	3	2.6	0	0	3	1.5
Company transportation	1	2.9	6	5.2	2	4	9	4.5
Total	34	100	117	100	50	100	201	100

Note  $x^2 = 13.093$

Not significant

Table (23)

Reason of Preferring to do another Job by Age

Age	-35		36+		Total	
Reasons	N	%	N	%	N	%
Workers do not prefer to do another job	62	68.9	87	78.4	149	74.1
<u>Reason given by other workers:</u>						
To get more money	2	2.2	4	3.6	6	3.0
Less effort needed	16	17.8	11	9.9	27	13.4
More money and less effort	0	0	4	3.6	4	2.0
More suitable job	9	10.0	4	3.6	13	6.5
More respectable job	1	1.1	1	0.9	2	1.0
Total	90	100	111	100	201	100

Note  $x^2 = 9.621$

$P < .10$



Table (24)Wages and Salary Structure for Public Sector Enterprise (EE pa)

Grades	Law 48, 1978		Law 114, 1981	Law 31, 1983 <sup>(a)</sup>
	Salary Scale	Annual Increment		
Excellent	2100	-	2483 +	2543 +
High	1500-2040	75	1560-2373	1620-2433
Executive	1320-1920	72	1380-2244	1440-2304
First	960-1680	60	1020-2028	1080-2088
Second	660-1500	48, then 60 from 876	720-1848	780-1908
Third	360-1200	24, then 36 from 480, and 48 from 660	456-1548	516-1608
Fourth	240-900	18, then 24 from 360	336-1152	396-1212
Fifth	216-720	12, then 18 from 240	312-864	372-904
Sixth	192-540	12, then 18 from 240	300-684	360-744
Percentage change			(1978-81)	(1981-83)
Top grade			18.2%	2.4%
Second grade			9.1%	8.3%
Lowest grade			56.0%	20.0%

(a) Low No 31 of 1983 came into force after the completion of the interview survey

Table (25)

Unadjusted Age-Earnings Profiles by Levels of Education (£Ep.m.)

Age Level	-24	25-31	32-38	39-45	46-52	53+	Mean Age	N
Illiterate	39.3	54.3	71.1	83.2	105.4	116.8	44	193
Primary	47.8	62	68.6	82.3	107.5	142.5	38	43
Preparatory	40.5	49.9	64.1	71.8	109.4	-	35	31
Secondary	52	64.9	93.8	100.9	117.6	168.5	37	57
University	-	64	99.6	129.6	182.5	155	40	27
Mean Earnings	44	59	78	92	110	121	41	351

Table (26)

Machine Operators and Management Perceptions of the Present Rate

Status	Workers		Management		Total	
Rate	N	%	N	%	N	%
Rather poor	63	92.6	47	72.3	110	82.7
Fairly good	5	7.4	18	27.7	23	17.3
Excellent	0	0	0	0	0	0
Total	68	100	65	100	133	100

Note  $\chi^2 = 8.243$

$P < .01$

Table (27)

Machine Operators and Management Perceptions of the Fairness of the Standards

Status	Workers		Management		Total	
Standards	N	%	N	%	N	%
Fair	34	37.0	58	64.4	92	50.5
Unfair	58	63.0	32	35.6	90	49.5
Total	92	100	90	100	182	100

Note  $\chi^2 = 12.674$

$P < .01$

Table (28)

Machine Operators Incentives in Cotton Spinning Plants (EE)

Piece-rate payment per month	Incentives on top of piece-rate payment*	
	Drawing, roving, combing, winding, and doubling	spinning & twisting
13.910	2	2.5
14.207	2.5	3.125
14.504	3	3.75
14.866	3.5	4.375
15.229	4	5
15.591	4.5	5.625
15.954	5	6.25
16.727	5	6.875
16.980	6	7.125
17.042	6.5	7.50
17.405	7	8.75
17.768	7.75	9.68
18.131	8.50	10.625
18.493	9.25	11.560
18.856	10	12.500
19.218	11	13.750
19.581	12	15

Source: ESCO, the incentive scheme, 1983

\*These incentives are paid in mid of the following month.

Table (29)

Workers Understanding of the Incentive Scheme

Occupation Understanding	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
	N	%	N	%	N	%	N	%
Not at all	11	32.4	15	12.8	10	20	36	17.9
Fairly	16	47.0	70	59.8	21	42	107	53.2
Very well	7	20.6	32	27.4	19	38	58	28.9
Total	34	100	117	100	50	100	201	100

Note  $\chi^2 = 10.505$

$P < .05$

Table (30)

The Importance of Understanding the Incentive Scheme

Occupation Importance	Workers		Foremen & Supervisors		Higher Levels		Total	
	N	%	N	%	N	%	N	%
Unimportant	15	7.5	10	11.6	6	9.4	31	8.8
Important	6	3.0	12	14.0	5	7.8	23	6.6
Very important	15	7.5	64	74.4	53	82.8	132	37.6
Workers who understand the scheme	165	82.0	0	0	0	0	165	47.0
Total	201	100	86	100	64	100	351	100

Note  $\chi^2 = 253.164$

$P < .01$



Table (31)

What was done to Explain the Incentive Scheme to Workers

Occupation	Foremen & Supervisors		Higher Levels		Total	
	N	%	N	%	N	%
What was done						
Section managers explained the scheme	5	5.8	14	21.9	19	12.7
Shift supervisors explained the scheme	4	4.7	8	12.5	12	8.0
The scheme was only announced to workers	38	44.2	28	43.7	66	44.0
Nothing was done to explain the scheme	35	40.6	13	20.3	48	32.0
Do not know	4	4.7	1	1.6	5	3.3
Total	86	100	64	100	150	100

Note  $x^2 = 16.115$

$P < .01$

Table (32)

Effort which Workers have to Exert to Earn an Incentive

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
	N	%	N	%	N	%	N	%
Effort								
Incentives not related to effort	88	43.8	24	27.9	3	4.7	115	32.8
Work not very hard	1	0.5	6	7.0	4	6.2	11	3.1
Work about right	48	23.9	33	38.4	34	53.2	115	32.8
Work too hard	64	31.8	23	26.7	23	35.9	110	31.3
	201	100	86	100	64	100	351	100

Note  $x^2 = 48.750$

$P < .01$

Table (33)

Mean of Workers and Management Earnings per Month in Egyptian Pounds

Earnings Occupation	Basic	Nature of work Payment	Inflation Payment	Incentives	Total Earnings	STD. DEV. of total earnings	Minimum - maximum of Total earnings
Auxiliary workers	50.735	3.192	8.794	3.035	64.353	18.491	37-105
Machine operators	55.419	4.222	9.137	6.385	74,180	24.702	35-166
Maintenance workers	54.100	4.720	8.840	5.900	73.580	21.815	40-134
Section managers, supervisors, and foremen	80.297	7.683	9.413	8.789	106.826	24.512	55-180
Higher Levels of management*	113.071	24.172	9.607	14.269	147.862	34.061	72-220
Mean for total sample	68.0	7.10	9.19	7.53	90.48	34.07	35-220

\* This category includes sections managers, department managers, and plant managers

Table (34)

Workers Promotion by Length of Service

Length of service (yrs) Promoted	-10		11-20		21-30		31+		Total	
	N	%	N	%	N	%	N	%	N	%
Yes	10	15.9	20	40.8	48	62.3	5	41.7	83	41.3
No	53	84.1	29	59.2	29	37.7	7	58.3	118	58.7
Total	63	100	49	100	77	100	12	100	201	100

Note  $x^2 = 30.865$

$P < .01$

Table (35)

Workers Education by Age

Age Education	-30		31-39		40-49		50+		Total	
	N	%	N	%	N	%	N	%	N	%
Illiterate	15	28.3	44	64.7	42	79.2	27	100	128	63.7
Primary	12	22.6	9	13.2	7	13.2	0	0	28	13.9
Preparatory	11	20.8	10	14.7	2	3.8	0	0	23	11.5
Secondary	15	28.3	5	7.4	2	3.8	0	0	22	10.9
Total	53	100	68	100	53	100	27	100	201	100

Note  $x^2 = 56.027$

$P < .01$

Table (36)

Workers Promotion by Education

Education Been promoted	Illiterate		Primary		Preparatory		Secondary		Total	
	N	%	N	%	N	%	N	%	N	%
Yes	60	46.9	12	42.9	8	34.8	3	13.6	83	41.3
No	68	53.1	16	57.1	15	65.2	19	86.4	118	58.7
Total	128	100	28	100	23	100	22	100	201	100

Note  $x^2 = 9.017$

$P < .05$

Table (37)

Workers Promotion by Occupation

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
	N	%	N	%	N	%	N	%
Promoted								
Yes	4	11.8	52	44.4	27	54	83	41.3
No	30	88.2	65	55.6	23	46	118	58.7
Total	34	100	117	100	50	100	201	100

Note  $x^2 = 16.039$

$P < .01$

Table (38)

Number of Times of Workers Promotion by Occupation

Occupation	Auxiliary Worker		Machine Operator		Maintenance Worker		Total	
	N	%	N	%	N	%	N	%
Number of times								
Have never been promoted	30	88.2	65	55.5	23	46	118	58.7
Promoted once	2	5.9	51	43.6	16	32	69	34.3
Promoted twice	2	5.9	1	0.9	10	20	13	6.5
Promoted three times	0	0	0	0	1	2	1	0.5
Total	34	100	117	100	50	100	201	100

Note  $x^2 = 40.534$

$P < .01$



Table (39)

Number of Times of Workers Promotion by Length of Service

Length of service No of times	-10		11-20		21-30		31+		Total	
	N	%	N	%	N	%	N	%	N	%
Have never been promoted	53	84.1	29	59.2	29	37.7	7	58.3	118	58.7
Promoted once	10	15.9	19	38.8	36	46.8	4	33.3	69	34.3
Promoted twice	0	0	1	2.0	12	15.5	0	0	13	6.5
Three times	0	0	0	0	0	0	1	8.4	1	0.5
Total	63	100	49	100	77	100	12	100	201	100

Note  $x^2 = 54.725$

$P < .01$

Table (40)

Whether Workers know that the Company has a Promotion Policy by Education

Education	Illiterate		Primary		Preparatory		Secondary		Total	
	N	%	N	%	N	%	N	%	N	%
There is policy										
Do not know	59	46.1	11	39.2	8	34.8	3	13.6	81	40.3
Yes	38	29.7	5	17.9	10	43.5	14	63.7	67	33.3
No	31	24.2	12	42.9	5	21.7	5	22.7	53	26.4
Total	128	100	28	100	23	100	22	100	201	100

Note  $x^2 = 17.830$

$P < .01$

Table (41)

Contents of Promotion Policy as Mentioned by Workers and Management

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Contents	N	%	N	%	N	%	N	%
Length of service needed for promotion	8	4.0	8	9.3	6	9.3	22	6.3
Factors of identifying workers for promotion	7	3.5	7	8.2	14	21.9	28	8.0
Promotion depend upon availability of grades	5	2.5	5	5.8	3	4.7	13	3.7
Do not know	181	90.0	66	76.7	41	64.1	288	82.0
	201	100	86	100	64	100	351	100

Note  $x^2 = 30.907$

$P < .01$

Table (42)

The Most Important Factor in Identifying Workers for Promotion

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Factors	N	%	N	%	N	%	N	%
Length of service	28	14.4	13	15.1	10	15.6	51	14.8
Education	26	13.4	38	44.2	30	46.9	94	27.3
Relations with management	77	39.7	9	10.5	3	4.7	89	25.9
Competence in work	63	32.5	26	30.2	21	32.8	10	32
Total	194	100	86	100	64	100	344	100

Note  $x^2 = 65.136$

$P < .01$

Table (43)

Workers Perceptions of the Chances of Promotion in their Sections Compared to other Sections by Education

Education	Illiterate		Primary		Preparatory		Secondary		Total	
Chances	N	%	N	%	N	%	N	%	N	%
Worse than most	34	30.4	9	40.9	12	52.2	10	47.6	65	36.5
The same as most	73	65.2	12	54.6	10	43.5	5	23.8	100	56.2
Better than most	5	4.4	1	4.5	1	4.3	6	28.6	13	7.3
Total	112	100	22	100	23	100	21	100	178	100

Note  $x^2 = 24.481$

$P < .01$

Table (44)

Workers Interest in Being Promoted by Education

Education	Illiterate		Primary		Preparatory		Secondary		Total	
Interested	N	%	N	%	N	%	N	%	N	%
Not at all	73	57.0	11	39.2	5	21.7	2	9.1	91	45.3
Not much	21	16.4	5	17.9	2	8.7	2	9.1	30	14.9
Very much	34	26.6	12	42.9	16	69.6	18	81.8	80	39.8
Total	128	100	28	100	23	100	22	100	201	100

Note  $x^2 = 35.335$

$P < .01$

Table (45)

Workers Perceptions of the Chances of Promotion by Occupation

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
Chances	N	%	N	%	N	%	N	%
Hopeless	18	54.5	66	56.4	10	20	94	47
Poor	10	30.3	42	35.9	25	50	77	38.5
Average	3	9.1	8	6.8	11	22	22	11
Good	2	6.1	1	0.9	4	8	7	3.5
Total	33	100	117	100	50	100	200	100

Note  $x^2 = 26.161$

$P < .01$



Table (46)

Workers Perceptions of the Chances of Promotion by Education

Chances	Illiterate		Primary		Preparatory		Secondary		Total	
	N	%	N	%	N	%	N	%	N	%
Hopeless	70	54.7	14	50	8	36.4	2	9.1	94	47
Poor	48	37.5	9	32.1	10	45.5	10	45.5	77	38.5
Average	10	7.8	2	7.1	3	13.6	7	31.8	22	11.0
Good	0	0	3	10.8	1	4.5	3	13.6	7	3.5
Total	128	100	28	100	22	100	22	100	200	100

Note  $x^2 = 35.338$

$P < .01$

Table (47)

Reasons for not Expecting to do the same Job after Five Years by Length of Service

Length of service in yrs Reasons	-10		11-20		21-30		31+		Total	
	N	%	N	%	N	%	N	%	N	%
Leaving the company	23	36.5	14	28.6	24	31.2	2	16.7	63	31.3
Retirement	0	0	0	0	6	7.8	3	25	9	4.5
Being promoted	8	12.7	6	12.2	7	9.1	0	0	21	10.5
Studying to get a certificate	1	1.6	1	2.0	0	0	0	0	2	1.0
Will be doing the same job	31	49.2	28	57.2	40	51.9	7	58.3	106	52.7
Total	63	100	49	100	77	100	12	100	201	100

Note  $x^2 = 23.575$

$P < .05$



Table (48)

Reasons for not Expecting to do the same Job after Five Years by Education

Education	Illiterate		Primary		Preparatory		Secondary		Total	
Reasons	N	%	N	%	N	%	N	%	N	%
Leaving the company	41	32	8	28.6	9	39.2	5	22.7	63	31.3
Retirement	9	7	0	0	0	0	0	0	9	4.5
Being promoted	9	7	3	10.7	2	8.7	7	31.8	21	10.5
Studying to get a certificate	0	0	1	3.7	1	4.2	0	0	2	1.0
Will be doing the same job	69	54	16	57.0	11	47.9	10	45.5	106	52.7
Total	128	100	28	100	23	100	22	100	201	100

Note  $x^2 = 23.725$

$P < .05$

Table (49)

Purpose of Performance Appraisal

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Purpose	N	%	N	%	N	%	N	%
Promotion decisions	11	5.5	9	10.5	7	10.9	27	7.7
Annual increment	108	53.7	48	55.8	31	48.5	187	53.3
Promotion and annual increment	23	11.4	22	25.6	23	35.9	68	19.3
Do not know	59	29.4	7	8.1	3	4.7	69	19.7
Total	201	100	86	100	64	100	351	100

Note  $x^2 = 43.428$

$P < .01$

Table (50)

Number of Times of Performing Appraisal per Year

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Number	N	%	N	%	N	%	N	%
Once	88	43.8	24	27.9	11	17.2	123	35.0
Twice	37	18.4	33	38.4	32	50.0	102	29.1
Three times	12	6.0	11	12.8	9	14.0	32	9.1
Four times	0	0	11	12.8	11	17.2	22	6.3
Do not know	64	31.8	7	8.1	1	1.6	72	20.5
	201	100	86	100	64	100	351	100

Note  $x^2 = 97.505$

$P < .01$

Table (51)

Supervisors Role in the Appraisal Process

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Supervisors' role	N	%	N	%	N	%	N	%
Do not have role	57	28.4	36	41.8	32	50.0	125	35.6
Help section manager	2	1.0	12	14.0	15	23.4	29	8.3
Do the appraisal	79	39.3	38	44.2	17	26.6	134	38.2
Do not know	63	31.3	0	0	0	0	63	17.9
Total	201	100	86	100	64	100	351	100

Note  $x^2 = 83.740$

$P < .01$

Table (52)

Workers and Management Perceptions of the Fairness of Appraisal

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Fair	N	%	N	%	N	%	N	%
Yes	41	20.4	24	27.9	18	28.1	83	23.6
No	75	37.3	35	40.7	44	68.7	154	43.9
Do not Know	85	42.3	27	31.4	2	3.2	114	32.5
Total	201	100	86	100	64	100	351	100

Note  $x^2 = 36.262$

$P < .01$

Table (53)

Reasons of Unfairness of Appraisal

Occupation	Workers		Foremen & Supervisors		Higher Levels		Total	
Reasons	N	%	N	%	N	%	N	%
Done without attention	4	2.0	6	7.0	8	12.5	18	5.1
Management help poor workers	28	13.9	29	33.7	36	56.2	93	26.5
Based on relations	43	21.4	0	0	0	0	43	12.3
Appraisal is fair	41	20.4	24	27.9	18	28.1	83	23.6
Do not know	85	42.3	27	31.4	2	3.2	114	32.5
Total	201	100	86	100	64	100	351	100

Note  $x^2 = 103.427$

$P < .01$

Table (54)

Distribution of Ratings Given to Workers by Plant in 1980/82

Year  Ratings  Plant	1980							
	Excellent		Satisfactory		Poor		Total	
	N	%	N	%	N	%	N	%
Cotton spinning	1335	17.3	6239	80.8	143	1.9	7717	100
Cotton weaving	1644	27.8	4166	70.4	108	1.8	5918	100
Cotton dyeing & finishing	448	32.4	922	66.7	13	0.9	1383	100
Wool	147	26.7	402	73	2	0.3	551	100
Rayon	409	39.1	625	59.7	13	1.2	1047	100
Total	3983	24	12354	74.3	279	1.7	16616	100

Year  Ratings  Plant	1980/81							
	Excellent		Satisfactory		Poor		Total	
	N	%	N	%	N	%	N	%
Cotton spinning	1631	22.4	5627	77.3	19	0.3	7277	100
Cotton weaving	1349	24	4219	75.1	50	0.9	5618	100
* Cotton dyeing & finishing	535	27.4	1414	72.2	7	0.4	1956	100
* Wool								
Rayon	390	38.2	629	61.6	2	0.2	1021	100
	3905	24.6	11889	74.9	78	0.5	15872	100

\*The data for the two plants were added together in 1980/81 and 1981/82 because the two plants are located in one place

Year  Ratings  Plant	1981/82							
	Excellent		Satisfactory		Poor		Total	
	N	%	N	%	N	%	N	%
Cotton spinning	1601	22.6	5460	77.1	18	0.3	7079	100
Cotton weaving	986	18	4464	81.7	15	0.3	5465	100
* Cotton dyeing & finishing								
* Wool	399	21.6	1442	78.1	5	0.3	1846	100
Rayon	456	47.5	503	52.4	1	0.1	960	100
Total	3442	22.4	11869	77.3	39	0.3	15350	100



Table (55)Why Discipline is a Sanction of Last Resort

Reasons	No of Responses		%
1. When a worker is given a chance he might change his behaviour	61		35.5
2. Disciplinary action affects a worker's earnings	58		33.7
3. Discipline has negative effects upon a worker's performance	42		24.4
4. Because of the shortage of workers	11		6.4
Total	172		100

Table (56)Whether Supervisors' Basic Task is to Ensure Cooperation among Workers

Occupation	Foremen & Supervisors		Higher Levels		Total	
	N	%	N	%	N	%
Agree	9	10.5	25	39.1	34	22.7
Disagree	77	89.5	39	60.9	116	77.3
Total	86	100	64	100	150	100

Note. Corrected  $\chi^2 = 17.244$  $P < .01$

Table (57)

Reasons for Disagreement that a Supervisor's Basic Task is to Encourage  
Co-operation

Occupation	Foremen & Supervisors		Higher Levels		Total	
Reasons	N	%	N	%	N	%
A supervisor has more than one basic task	0	0	1	1.6	1	0.7
A supervisor's basic task is to solve any problem which affects work	42	48.8	19	29.6	61	40.7
A supervisor's basic task is to achieve the anticipated amount of production	35	40.7	19	29.7	54	36.0
Agree on the statement	9	10.5	25	39.1	34	22.6
Total	86	100	64	100	150	100

Note  $\chi^2 = 19.127$

$P < .01$

Table (58)

Examples of the Offences as Mentioned by Workers

Offence	No of Responses	%
Poor performance	154	36.8
Unmannerly behaviour	94	22.5
Absence from work	57	13.6
Causing damage to the company property	56	13.4
Leaving work place without permission	47	11.2
Sleeping at work place	10	2.5
	418	100

Table (59)

Procedures of Complaint as Mentioned by Workers

Procedure	No of Responses	%
To complain in writing to the legal department	90	36.6
To complain orally to section manager	78	31.7
To complain in writing to sections manager	77	31.3
To complain orally to shift supervisor	1	0.4
	246	100

Table (60)

The Effects of Some Variables on Whether Disciplinary Actions were taken against workers

Source of Variation	Sum of Squares	Significance of F
Covariates	0.479	0.151
Earnings	0.479	0.151
Main Effects	5.003	0.007
Education	1.122	0.184
Occupation	3.450	0.001
Marital Status	0.098	0.515
Hometown	0.871	0.153
Explained	6.006	0.003
Residual	43.883	
Total	49.889	

Table (61)

Whether Workers were Satisfied with the Last Disciplinary Action by Occupation

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
	N	%	N	%	N	%	N	%
Yes	10	29.4	32.	27.4	3	6.0	45	22.4
No	12	35.3	38	32.5	17	34.0	67	33.3
No disciplinary action was taken against a worker	12	35.3	47	40.1	30	60.0	89	44.3
Total	34	100	117	100	50	100	201	100

Note  $x^2 = 11.962$

$P < .05$

Table (62)

Best thing Workers do when they feel that they have been treated Unjustly by Occupation

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
	N	%	N	%	N	%	N	%
Keep my problem to myself	22	64.7	43	36.8	24	48	89	44.3
Talk to a fellow worker	0	0	0	0	1	2	1	0.5
Complain to section manager	8	23.5	66	56.4	22	44	96	47.8
Complain to the next higher level of management	4	11.8	8	6.8	3	6	15	7
Total	34	100	117	100	50	100	201	100

Note  $x^2 = 15.086$

$P < .05$



Table (63)Why the Procedures of Complaint Provide Adequate Protection for Workers

Status	Workers		Management	
Reasons	No of Responses	%	No of Responses	%
Any complaint is studied and a worker is given his right	18	26.5	118	88.7
Workers and management are controlled by certain rules the law lays down	47	69.1	1	0.8
Management can not treat workers unjustly because of the shortage of labour	3	4.4	14	10.5
Total	68	100	133	100

Table (64)Why the Procedures of Complaint do not Provide Adequate Protection for Workers

Status	Workers		Management	
Reasons	No of Responses	%	No of Responses	%
A complaint is sent back to the immediate supervisors	13	14.6	3	15.8
Management ignore workers complaints	56	62.9	15	78.9
Management distrust workers	20	22.5	1	5.3
Total	89	100	19	100

Table (65)

Who was Involved in Taking Disciplinary Actions

Who	No of Responses	%
1. Section manager	37	32.8
2. Shift supervisor	32	28.3
3. Personnel department	27	23.9
4. Legal section	17	15
Total	113	100

Table (66)

Who Tells Workers about their Mistakes

Who tells workers	Management		Workers	
	No of Responses	%	No of Responses	%
1. Foremen	105	48.6	84	41.2
2. Supervisors	102	47.2	93	45.6
3. A fellow worker	9	4.2	27	13.2
Total	216	100	204	100

Table (67)

How are Workers Praised

Status	Workers		Management	
	No of Responses	%	No of Responses	%
1. Orally	42	63.6	46	34.1
2. To give worker a rest from work 'at work place' if he is 'sick'	1	1.5	25	18.5
3. To consider workers absence as a leave of absence	7	10.6	35	25.9
4. 'Cash money'	16	24.2	29	21.5
Total	66	100	135	100

Table (68)

Why Workers are not Praised for Particularly good Work

	Workers		Management	
	No of Responses	%	No of Responses	%
1. Management pay attention only to workers mistakes	63	40.1	5	9.1
2. Management think that workers should work in return for their wages	84	53.5	26	47.3
3. Department management have no 'cash fund' to praise workers	9	5.7	13	23.6
4. Workers prefer monetary rewards	1	0.7	11	20
Total	157	100	55	100

Table (69)

Workers who have been Praised and Reasons of Praise

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
	N	%	N	%	N	%	N	%
Workers have never been praised	34	100	114	97.4	33	66	181	90.0
Reasons of praises :								
Getting machines to work	0	0	0	0	7	14	7	3.5
Setting up new machines	0	0	0	0	10	20	10	5.0
Exceeding the anticipated amount of production	0	0	3	2.6	0	0	3	1.5
Total	34	100	117	100	50	100	201	100

Note  $x^2 = 57.788$

$P < .01$

(Table 70)

Workers Living Place by Age

Age Living Place	-30		31-40		41-50		51+		Total	
	N	%	N	%	N	%	N	%	N	%
Company residence	0	0	7	9.2	7	14.0	3	13.6	17	8.5
Public residence	0	0	2	2.6	0	0	0	0	2	1.0
Rented accommodation	18	34.0	40	52.6	20	40.0	8	36.4	86	42.8
Own House	6	11.3	18	23.7	22	44.0	11	50.0	57	28.4
With parents	29	54.7	9	11.9	1	2.0	0	0	39	19.3
Total	53	100	76	100	50	100	22	100	201	100

Note  $x^2 = 75.660$

$P < .01$



Table (71)

Workers Living Place by Hometown

Hometown	Village		Town		Cairo		Town	
Living Place	N	%	N	%	N	%	N	%
Company residence	9	12	-	-	8	6.8	17	8.5
Public residence	1	1.3	-	-	1	0.8	2	1
Rented private accommodation	49	65.3	7	87.5	30	25.4	86	42.8
Own house	16	21.4	1	12.5	40	33.9	57	28.4
With parents	-	-	-	-	39	33.1	39	19.3
Total	75	100	8	100	118	100	201	100

Note  $\chi^2 = 54.061$

$P < .01$

Table (72)Workers' Living Place by Marital Status

Marital status	Single		Married		Total	
Living Place	N	%	N	%	N	%
Company residence	0	0	17	9.8	17	8.5
Public residence	0	0	2	1.1	2	1.0
Rented accommodation	6	22.2	80	46.0	86	42.8
Own house	1	3.7	56	32.2	57	28.4
Live with parents	20	74.1	19	10.9	39	19.3
Total	27	100	174	100	201	100

Note  $\chi^2 = 60.762$ 

P &lt; .01

Table (73)Consumer Price Index

Year	Urban	Rural
1967/68	102.0	101.8
1968/69	106.1	105.6
1969/70	109.2	113.5
1970/71	113.6	117.9
1971/72	116.3	117.6
1973	122.4	131.2
1974	135.7	149.6
1975	148.9	167.9
1976	171.6	195.3
1977	191.1	220.7
1978	208.0	236.0
1979	226.0	248.7

Source: Hansen, B and Radwan, S Employment Opportunities and Equity in Egypt, International Labour Office, Geneva, 1982 p.35

Table (74)

Wage and Salary Structure by Law 61, 1971 and Law 48, 1978

Law 61, 1971		Law 48, 1978	
Grade	Minimum-Maximum ££	Grade	Minimum-Maximum ££
Excellent High	2000 1400-1800	Excellent High	2100 1500-2040
1 2	1200-1800 876-1440	Executive First	1320-1920 960-1680
3 4	684-1440 540-1440	Second	660-1500
5 6 7	420-780 330-780 240-780	Third	360-1200
8 9 10	180-360 162-360 144-360	Fourth Fifth Sixth	240-900 216-720 192-540

Percentage change	(1971-78)
Top grade	5%
Lowest grade	33.3%

Table (75)

The Effects of Some Variables on Whether Workers have ever thought of Leaving

Source of Variation	Sum of Squares	Significance of F
Covariates	0.880	0.049
Earnings	0.880	0.049
Main Effects	2.291	0.258
Occupation	0.814	0.166
Education	0.449	0.573
Marital status	0.017	0.782
Hometown	0.403	0.409
Explained	4.143	0.036
Residual	42.870	
Total	47.014	

Table (76)

Whether Workers have ever thought of Leaving by Earnings

Earnings EE	-60		61-80		81-100		101+		Total	
Intend to leave	N	%	N	%	N	%	N	%	N	%
Yes	49	72.1	45	63.4	24	57.1	8	40.0	126	62.7
No	19	27.9	26	36.6	18	42.9	12	60.0	75	37.3
Total	68	100	71	100	42	100	20	100	201	100

Note  $x^2 = 7.521$

$P < .10$



Table (77)

Reasons of Planning to Leave the Company by Age

Age	-25		26-35		36-45		46+		Total	
Reasons	N	%	N	%	N	%	N	%	N	%
Retirement age	0	0	19	27.1	29	42.6	30	69.8	78	38.8
Getting better job	8	40	21	30	8	11.8	2	4.7	39	19.4
Going to work in an Arab Country	2	10	9	12.9	9	13.2	0	0	20	10
Having a private work	1	5	5	7.1	7	10.3	9	20.8	22	10.9
To serve for a period enough to get pension	1	5	16	22.9	15	22.1	2	4.7	34	16.9
Going for obligatory military service	8	40	0	0	0	0	0	0	8	4
Total	20	100	70	100	68	100	43	100	201	100

Note  $x^2 = 127.938$

P < .01

Table (78)

The Effects of some Variables on Workers Intent to leave if they find Better Jobs

Source of variation	Sum of Squares	Significance of F
Covariates	1.061	0.027
Earnings	1.061	0.027
Main Effects	4.367	0.011
Occupation	0.099	0.793
Education	2.146	0.020
Marital Status	0.911	0.040
Hometown	0.209	0.614
Explained	8.310	0.000
Residual	40.744	
Total	49.054	

Table (79)

Workers' Intent to Leave if they find Better Job by Earnings

Earnings	-60		61-80		81-100		101+		Total	
Intend to leave	N	%	N	%	N	%	N	%	N	%
Yes	51	75.0	41	57.7	16	38.1	8	40.0	116	57.7
No	17	25.0	30	42.3	26	61.9	12	60.0	85	42.3
Total	68	100	71	100	42	100	20	100	201	100

Note  $x^2 = 17.521$

$P < .01$

Table (80)

Workers' Intent to Leave if they find Better Job by Education

Education	Illiterate		Primary		Preparatory		Secondary		Total	
Intend to leave	N	%	N	%	N	%	N	%	N	%
Yes	59	46.1	19	67.9	21	91.3	17	77.3	116	57.7
No	69	53.9	9	32.1	2	8.7	5	22.7	85	42.3
Total	128	100	28	100	23	100	22	100	201	100

Note  $x^2 = 22.344$

$P < .01$

Table (81)

Workers' Intent to leave if they find better Job by Marital Status

Marital Status	Single		Married		Total	
Intend to leave	N	%	N	%	N	%
Yes	24	88.9	92	52.9	116	57.7
No	3	11.1	82	47.1	85	42.3
Total	27	100	174	100	201	100

Note Corrected  $x^2 = 10.991$

$P < .01$

Table (82)

Why Married Workers do not agree to Let Wife Work by Age

Age	-30		31-40		41-50		51+		Total	
	N	%	N	%	N	%	N	%	N	%
Wife work	2	7.7	3	3.9	0	0	0	0	5	2.9
Agree to let wife work	6	23.1	4	5.3	5	10.0	2	9.1	17	9.8
<u>Reasons of disagreement to let wife work</u>										
Against our custom	11	42.3	33	43.4	23	46.0	3	13.6	70	40.2
To look after the family	7	26.9	35	46.1	17	34.0	4	18.2	63	36.2
Old wife	0	0	1	1.3	5	10.0	13	59.1	19	10.9
	26	100	76	100	50	100	22	100	174	100

Note  $\chi^2 = 76.026$

$P < .01$

Table (83)

The Effects of Some Variables on Having a Second Job

Source of variation	Sum of Squares	Significance of F
Covariates	2.957	0.000
Earnings	2.957	0.000
Main effects	2.534	0.219
Occupation	0.917	0.143
Education	1.148	0.182
Marital Status	0.459	0.163
Hometown	0.141	0.741
Explained	5.067	
Residual	44.634	
Total	49.700	

Table (84)

Workers' Earnings from the Second Job by Education

Level of Education	Mean	Std. Dev.	N
Illiterate	38.91	19.97	55
Primary	52.06	26.81	17
Preparatory	40.0	18.03	9
Secondary	58.89	18.33	9
All	43.50	21.97	90

Table (85)

The Effects of some Variables on Workers' Interest in Having a Second Job

Source of variation	Sum of Squares	Significance of F
Covariates	3.369	0.000
Earnings	3.369	0.000
Main effects	5.059	0.002
Education	0.186	0.811
Occupation	2.359	0.003
Marital status	0.902	0.032
Hometown	0.973	0.084
Explained	8.288	0.000
Residual	37.024	
Total	45.313	
N		201



Table (86)

Whether Workers are Interested in Having a Second Job by Earnings

Earnings	-60		61-80		81-100		101+		Total	
Second job	N	%	N	%	N	%	N	%	N	%
Have a second job	36	52.9	36	50.7	15	35.7	3	15.0	90	44.8
Interested in having a second job	16	23.6	15	21.1	7	16.7	4	20.0	42	20.9
Not interested	16	23.5	20	28.2	20	47.6	13	65.0	69	34.3
Total	68	100	71	100	42	100	20	100	201	100

Note  $x^2 = 17.632$

$P < .01$

Table (87)

Whether Workers are Intersted in Having a Second Job by Occupation

Occupation	Auxilliary Workers		Machine Operators		Maintenance Workers		Total	
Second job	N	%	N	%	N	%	N	%
Have a second job	17	50.0	46	39.3	27	54.0	90	44.8
Interested in having a second job	7	20.6	19	16.2	16	32.0	42	20.9
Not interested	10	29.4	52	44.5	7	14.0	69	34.3
Total	34	100	117	100	50	100	201	100

Note  $x^2 = 15.849$

$P < .01$

Table (88)

Whether Workers are Interested in Having a Second Job by Hometown

Hometown	Village		Town		Cairo		Total	
Second Job	N	%	N	%	N	%	N	%
Interested	42	56.0	7	87.5	83	70.3	132	65.7
Not interested	33	44.0	1	12.5	35	29.7	69	34.3
Total	75	100	8	100	118	100	201	100

Note  $x^2 = 5.943$

$P < .10$

Table (89)

Workers Hometown by Age

Age	-25		26-35		36-45		46+		Total	
Hometown	N	%	N	%	N	%	N	%	N	%
Village	3	15	20	28.6	31	45.6	21	48.8	75	37.3
Town	1	5	5	7.1	0	0	2	4.7	8	4.0
Cairo	16	80	45	64.3	37	54.4	20	46.5	118	58.7
Total	20	100	70	100	68	100	47	100	201	100

Note  $x^2 = 16.472$

$P < .05$

Table (90)

Type of Second Job which Workers would like to Have

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
Job	N	%	N	%	N	%	N	%
Similar job in a private company	1	2.9	3	2.5	11	22.0	15	7.5
Job demanding less effort	4	11.8	14	12	4	8.0	22	10.9
Private work	2	5.9	2	1.7	1	2.0	5	2.5
Workers have a second job, or are not interested	27	79.4	98	83.8	34	68.0	159	79.1
Total	34	100	117	100	50	100	201	100

Note  $\chi^2 = 22.390$

$P < .01$

Table (91)

Workers Expectations of Getting a Second Job

Occupation	Auxiliary Workers		Machine Operators		Maintenance Workers		Total	
Expect to have	N	%	N	%	N	%	N	%
Yes	0	0	5	4.3	9	18	14	7.0
No	7	20.6	14	12.0	7	14	28	13.9
Have a second job or not interested	27	79.4	98	83.7	34	68	159	79.1
Total	34	100	117	100	50	100	201	100

Note  $\chi^2 = 14.833$

$P < .01$

Form (1)

Performance Appraisal

Form\*

Name:

File No:

Department:

Job:

Grade:

	Maximum	Period 1/7 - 30/9	Period 1/10 - 31/12
Part 1: To be filled in by the supervisory staff:			
1. Amount of work	30		
2. Quality of work	20		
3. Co-operation	10		
4. Behaviour	15		
	<u>75</u>		
Part 2: To be filled in by the Personnel department:			
1. Time-keeping	10		
2. Absence	15		
	<u>25</u>		
Total	100		
Level			

Levels:

- 90+     Excellent
- 50-89   Satisfactory
- 49-     Poor

\* This form is for six month, and a typical form is used for the other six months of the year.



Form (2)The bases of Filling the Second Part in the Appraisal Form

1. Half point is subtracted for each day of absence, or turning up late, for the first five days. A point is subtracted for each day after that.
2. A worker who is suspended for more than fifteen days loses fifteen points.
3. Other incidents for which a worker does not get pay for one or more days, a point is subtracted for each day.

Form (3)Typical Letter to Inform a Worker that his Level in Appraisal is Poor

Mr

File No.

According to Law 48, 1978, we inform you that your Level in performance appraisal for the period from 1/7/19 to 30/6/19 is 'poor'. The reason is that

you can complain within twenty days to the complaints committee.

The manager of the administrative staff

( )

Date

A P P E N D I X (2)

The Questionnaires in English

UNIVERSITY OF EDINBURGH

DEPARTMENT OF BUSINESS STUDIES

WORKERS' QUESTIONNAIRE

I am interested in your ideas about your job and some of the company policies but first, I would like to ask you some questions about yourself.

1. How old are you?

2(a) How many years of regular education did you have?

2(b) What type of leaving certificate do you have?

- Primary
- Preparatory
- . General
- . Technical
- Secondary
- . General
- . Technical
- Other (specify)

3(a) What is your present job?

4. How long have you worked for this company?

5(a) Have you worked in any other company before you came here?

- Yes
- No

5(b) If yes, how many years have you worked in other company(s)?

5(c) What was this company(s)?

- Company
- Type of industry
- No of jobs

6(a) Have you worked in any Arab country(s) before you came here?

- Yes
- No

If yes,

6(b) How many years have you worked in Arab country(s)?

6(c) What was this country(s)?

6(d) Have you worked in any Arab country after you came here?

- Yes
- No

If yes,

6(e) How many years have you worked in Arab country(s)?

6(f) What was this country(s)?

7(a) How much is your average income in your present job?

7(b) Could you tell me the breakdown of your average income?

- Basic wage
- Incentives
- Inflation Payment



- Nature of work payment
- Other (specify)

8. Are you

- Single
- Married
- Widowed
- Divorced

9(a) How many dependent children do you have?

9(b) How many other dependents are you responsible for?

10(a) Does your wife go out to work?

- Yes
- No
- Not applicable

If yes,

10(b) How much does she earn?

If no,

10(c) If your wife could get a job, would you let her go out to work?

- Yes
- No

10(d) Why or why not?

11. Where were you brought up?

- Village
- Town
- Cairo

12(a) Where are you living now?

- Company residence
- Public residence
- Rented house from a private owner
- Your own house

If a rented house,

12(b) How much rent do you pay?

12(c) Is your family living with you now?

- Yes
- No
- Not applicable

If no,

12(d) Where is your family living?

12(e) How far is your family's residence from your residence?

12(f) How often do you visit them?

12(g) How much money do you send to them every month/two weeks?

13(a) Do you visit the place where you were brought up?

- Yes

- No

- Not Applicable

If yes,

13(b) How often?

13(c) How far is it from your residence?

13(d) Whom do you visit there?

Now I would like to know your opinion about some points related to your job.

1. First of all, why did you decide to come to work for this company?

- Good money
- Location
- Good company to work for
- Because friends or relatives work here
- Other (specify)

2. Below are two statements, for each one I would like to know if you agree or disagree and why?

2(a) Most workers in this company work only for money.

- Agree
- Disagree

If disagree, why?

2(b) Workers are willing to work hard on their jobs to avoid punishment.

- Agree
- Disagree

If disagree, Why?

3. I would like to ask you about the characteristics of your job.

3(a) Please indicate the amount of each characterisitc which is true of your current job?

Characterisitcs	High	Moderate	Low
- Good income			
- Friendly and helpful fellow workers			
- Good chances for promotion			
- Secure future in the job			
- Good fringe benefits			
- Respect and fair treatment from management			

3(b) Would you rank three characteristics which are the most important to you?

- Good income
- Friendly and helpful workers
- Good chances for promotion
- Secure future in the job
- Good fringe benefits
- Respect and fair treatment from management

4(a) Do you ever think about your job after work?

- Yes
- No

If yes,

4(b) What things do you think about?

5(a) Is there any shop-floor job in the company which you would rather do than your own?

- Yes
- No
- DK

If yes,

5(b) Which job is that?

5(c) Why would you rather do that job than your own?

6. If there is one thing about your job here you could change, what would it be?

7(a) Have you ever thought of leaving your present job?

- Yes
- No
- Refused

7(b) If yes, why?

7(c) Have you done anything about it?

- Yes
- No
- Refused

If yes,

7(d) What have you done?

8(a) If you have a free choice, how long do you expect to be working for this company?

8(b) Why is that?

9(a) If you could get a job of your choice in another company, is there any thing(s) that stops you from doing this?

- Yes
- No
- DK

If yes,

9(b) What is this thing(s)?



Now I would like to ask you about your incentive scheme in the company.

1. How far do you feel you understand the incentive scheme in your job?

- Very well
- Fairly
- Not at all

If affirmative, ask 2 and go to 5

If no, go to 3.

2(a) What are the factors taken into account to calculate your incentives?

2(b) In your opinion, are there any other factors which should be taken into account to calculate your incentives?

- Yes
- No
- DK

If yes,

2(c) What are these factors?

3(a) Is it important for you to understand how your incentives are calculated?

- Very important
- Important
- Unimportant
- DK

If unimportant,

3(b) Why do you say that?

4(a) Have you made any attempt to understand the incentive scheme in your job?

- Yes
- No

If yes,

4(b) What happened?

5(a) Do you think that under the work standards in your job to earn an incentive you have to work

- Too hard
- About right
- Not very hard
- DK
- Not applicable

5(b) Why do you say that?

6(a) How often are the standards examined in your job?

- Regularly
- Occasionally
- Rarely
- Never
- DK

If never go to 6(f)

If regularly or occasionally or rarely, ask 6(b), 6(c), 6(d) and 6(e) and go to 7.

6(b) When was the last change in the standards in your job?

6(c) Why was that change made?

6(d) In your opinion, was that change fair or unfair?

- Fair
- Unfair
- DK

6(e) Why do you say that?

6(f) Do you think the standards in your job are fair or unfair?

- Fair
- Unfair
- DK

6(g) If unfair, why?

7. Do you think that the present rate for a unit of production is

- Excellent
- Fairly good
- Rather poor
- DK
- Not applicable

8(a) "In this company how much you earn depends on how hard you work" Do you agree or disagree with this statement?

- Agree
- Disagree

8(b) If disagree, why?

9. How do you describe the relationship between a worker's effort and his output in your job? Would you say they are

- Completely related
- Fairly related
- Unrelated
- DK

10(a) Do you think the amount of money paid as an incentive is sufficient to encourage you to work harder? Would you say this amount is

- |            |                    |              |      |
|------------|--------------------|--------------|------|
| - Too much | - The right amount | - Too little | - DK |
|------------|--------------------|--------------|------|

10(b) About how much would be sufficient?

We have talked about your job and the incentives. Now I would like to ask you about promotion.

1(a) Have you ever been promoted?

- Yes

- No

If yes,

1(b) How many times have you been promoted?

1(c) Could you tell me what jobs were you promoted to?

1(d) Did you get more money as a result of this promotion?

- Yes

- No

If no,

1(e) What, do you think, is the reason?

2(a) How would you rate your chances of being promoted?

- Good

- Average

- Poor

- Hopeless

- DK

If poor, or hopeless

2(b) What do you think is stopping you from being promoted?

- Lack of education

- Lack of training

- No openings for promotion exist

- Other (specify)

3(a) How much are you interested in being promoted?

- Very much

- Not much

- Not at all

3(b) If not at all or not much, why?

4(a) How, do you think, workers are identified for promotion in this company?

4(b) Which factor is the most important?

5(a) Would you say chances of promotion in your job compared with other shop-floor jobs are

- Better than most

- The same as most

- Worse than most

If worse,



5(b) What should management do about it?

6(a) In five years time, do you expect to be doing the same job?

- Yes

- No

- DK

6(b) Why or why not?

7(a) Does the company have a written policy of workers promotion?

- Yes

- No

- DK

7(b) What does it consist of?

Now I would like to ask you some questions about workers performance appraisal in this company?

1. How many times are you appraised every year?

2(a) Who appraises your performance?

- My supervisor
- Department manager
- Personnel Department staff
- Other (specify)
- DK

If supervisor is not mentioned,

2(b) What do you think is the role of your supervisor in this process?

3. What, do you think, is the point of the appraisal system in this company?

4(a) Do you know what factors are used in appraising your performance?

- Yes
- No

If yes,

4(b) What are these factors?

5(a) In your opinion, are there any other factors which should be used in workers' appraisal?

- Yes
- No
- DK

If yes,

5(b) What are these factors?

6. Are the results of your formal appraisal made known to you?

- Usually
- Sometimes
- Rarely
- Never

If never, ask 7 and go to 9

If usually or sometimes or rarely, ask 8

7(a) In your opinion, which is better, to make the results of workers appraisal open or secret?

- Open
- Secret
- DK

7(b) Why do you say that?

8(a) Do workers have the right to discuss their appraisal?

- Usually                      - Sometimes                      - Rarely                      - Never

If usually, sometimes or rarely

8(b) With whom?

8(c) Is it worth it?

9(a) Do you think the appraisal system in this company is

- Fair                                      - Unfair                                      - DK

If unfair,

9(b) Why?

10. Generally speaking, would you say workers formal appraisal in this company is

- Important                                      - Unimportant                                      - DK

If unimportant,

Why?

We have talked about quite a number of things. Now I would like to ask you about discipline in this company.

1(a) What do you think about discipline in this company?

Would you say it is

- Too strict                      - About right                      - Easy going                      - DK

1(b) Have you ever been disciplined in this company?

- Yes                                      - No

If yes,

1(c) What happened in the last case?

1(d) Were you satisfied with the way of dealing with this case?

- Yes                                      - No

1(e) If no, why?

1(f) Who was involved in this case?

2(a) Do management praise a worker who has done particularly good work?

- Usually                      - Sometimes                      - Rarely                      - Never                      - DK

If usually, sometimes or rarely

2(b) How is a worker praised?

- Orally  
- Formal recognition in the company bulletin  
- Letter of commendation  
- Other (specify)

If never,

2(c) Why is that?

2(d) Have you ever been praised for doing particularly good work?

-- Yes                                      - No

If yes,







6(a) Do you think you would benefit from further training?

- Yes

- No

- DK

6(b) What kind of training?

6(c) Do you think you will be able to obtain this training?

- Certainly

- Probably

- Unlikely

- DK

6(d) Why do you say that?

7. Who do you think selects workers for training?

- Supervisor

- Department manager

- Training department

- Other (specify)

8. What are the factors which seem to you count most for selecting workers for training?

- Seniority

- Performance

- Workers' past training

- Recommendations by supervisors

- Good relations with management

- Other (specify)

Finally, I would like to ask you a few questions about yourself.

1(a) Do you have any other job outside this company?

- Yes

- No

- Refused

If no, go to 2.

If yes,

1(b) What is it?

1(c) Could you tell me how much do you earn from it?

2(a) Would you like the opportunity of having a second job?

- Yes

- No

If yes,

2(b) What would you like to do?

2(c) Is there any opportunity to get this job?

- Yes

- No

- DK

Is there anything else you would like to tell me?

Thank you for your help



UNIVERSITY OF EDINBURGH

DEPARTMENT OF BUSINESS STUDIES

MANAGEMENT QUESTIONNAIRE

I am interested in your ideas about workers' needs, and some of the company policies related to workers but first, I would like to ask you some questions about yourself.

1. How old are You?

2(a) How many years of regular education did you have?

2(b) What type of leaving certificate do you have?

- Primary

- Preparatory

- . General

- . Technical - Industrial - Commercial - Agriculture

- Secondary

- . General

- . Technical - Industrial - Commercial - Agriculture

- . - Bachelor

- MSc

- PhD

- Other (specify)

3(a) What is your present job?

- Foreman

- Supervisor

- Department Manager

- Plant Manager

- Other (specify)

3(b) What is the grade of your present job?

3(c) How many jobs have you had before in this company?

3(d) What kind of jobs have you had?

3(e) Are you supervising:

- Machine Operators

- Maintenance Workers

- Both

3(f) In which plant do you work now?

- Cotton            . Spinning            . Weaving            . Dyeing & Finishing

- Wool

- Rayon

4. How long have you worked for this company?

5(a) Have you worked in any other company(s) before you came here?

Yes

No

If Yes,

5(b) How many years have you worked in other company(s)?

5(c) What was this company(s)?

Company

Type of industry

No of jobs

6(a) Have you worked in any Arab country(s) before you came here?

Yes

No

If yes,

6(b) How many years have you worked in Arab country(s)?

6(c) What was this country(s)?

6(d) Have you worked in any Arab country after you came here?

Yes

No

If yes,

6(e) How many years have you worked in Arab country(s)?

6(f) What was this country(s)?

7(a) How much is your average earnings after deductions every month in your present job?

7(b) Could you tell me the breakdown of your average earnings?

- Basic wage or salary

- Incentives

- Inflation payment

- Nature of work payment

- Other (specify)

8. Are you -

- Single

- Married

- Widowed

- Divorced

9(a) How many dependent children do you have?

9(b) How many other dependents are you responsible for?

10(a) Does your wife go out to work?

- Yes

- No

- Not applicable

If yes,

10(b) How much does she earn?

If no,

10(c) If your wife could get a job, would you let her go out to work?

- Yes

- No

10(d) Why or Why not?

11 Where were you brought up?

- Village

- Town

- Cairo

12(a) Where are you living now?

- Company residence

- Public residence

- Rented house from a private owner

- Your own house

If a rented house,

12(b) How much rent do you pay?

12(c) Is your family living with you now?

- Yes

- No

- Not applicable

If no,

12(d) Where is your family living?

12(e) How far is your family's residence from your residence?

12(f) How often do you visit them?

12(g) How much money do you send to them every month?

13(a) Do you visit the place where you were brought up?

- Yes

- No

If yes,

13(b) How often?

13(c) How far is it from your residence?

13(d) Whom do you visit there?



First of all, I would like to ask you some questions about workers' needs.

1. Below are some statements, for each statement I would like to know if you agree or disagree and why?

1(a) Most workers in this company work only for money.

- Agree

- Disagree

If disagree, why?

1(b) A supervisor's basic task is to ensure co-operation and make workers feel that they are useful and important to the company.

- Agree

- Disagree

If disagree, why?

1(c) If tasks are simple and workers are closely supervised they produce up to the standard.

- Agree

- Disagree

If disagree, why?

1(d) Workers are willing to work hard on their jobs to avoid punishment.

- Agree

- Disagree

If disagree, why?

2. I would like to ask you about workers' jobs characteristics.

2(a) Please indicate the amount which you think is true of workers' jobs now in your section/department?

Characeteristics	High	Moderate	Low
- Good income			
- Friendly and helpful fellow workers			
- Good chances for promotion			
- Secure future in the job			
- Good fringe benefits			
- Respect and fair treatment from management			

2(b) Would you rank three characteristics which seem to you the most important to the workers in your section/department?

- Good income
- Friendly and helpful fellow workers
- Good chances for promotion
- Secure future in the job
- Good fringe Benefits
- Respect and fair treatment from management

Now I would like to ask you about the incentive schemes for workers in your section/department.

1. How far, do you think, the workers in your section/department understand the incentive schemes in their jobs?

- Very well                                      - Fairly                                      - Not at all                                      - D K

2(a) What are the factors taken into account to calculate workers' incentives in your section/department?

2(b) In your opinion, are there any other factors which should be taken into account to calculate workers' incentives in your section/department?

- Yes                                      - No                                      - DK

If yes,

2(c) What are these factors?

3(a) In your opinion, is it important for workers in your section/department to understand how their incentives are calculated?

- very important                                      - Important                                      - Unimportant                                      - DK

If unimportant,

3(b) Why do you say that?

4(a) Have you made any attempt to explain the incentive scheme to the workers in your section/department?

- Yes                                      - No

If yes,

4(b) Why was that?

4(c) What happened?

If no,

4(d) Why is that?

5(a) Do you think workers who want to earn an incentive under the work standards used now in your section/department have to work

- Too hard                                      - About right                                      - Not very hard  
- DK                                      - Not applicable

5(b) Why do you say that?

6(a) How often are the standards examined in your section/department?

- Regularly                      - Occasionally                      - Rarely                      - Never                      - DK

If never, go to 6(f)

If regularly or occasionally or rarely, ask 6 (b) , 6 (c) , 6 (d) , 6 (e) ,  
and go to 7.

6(b) When was the last change in the standards in your section/department?

6(c) Why was that?

6(d) In your opinion, was that change fair?

- Yes

- No

- DK

6(e) Why do you say that?

6(f) Do you think work standards in your section/department are fair or unfair?

- Fair

- Unfair

- DK

If unfair, why?

7. Do you think that the present rate for a unit of production in your section/department is

- Excellent

- Fairly good

- Rather poor

- DK

- Not applicable

8(a) "In this company how much a worker earns depends on how hard he works".  
Do you agree or disagree with this statement?

- Agree

- Disagree

- DK

8(b) If disagree, why?

9. How do you describe the relationship between a worker's effort and his output in your section/department? Would you say they are

- Completely related

- Fairly related

- Unrelated

- DK

- Not applicable



10(a) Do you think the amount of money paid as an incentive is sufficient to encourage the workers in your section/department to work harder? Would you say this amount is

- Too much
- The right amount
- Too little
- DK

10(b) How much would be sufficient?

Now I would like to ask you about workers' promotion in your section/department.

1(a) How would you rate chances of workers' promotion in your section/department?

- Good
- Average
- Poor
- Hopeless
- DK

If poor or hopeless,

1(b) What do you think is stopping workers from being promoted?

- Lack of education
- Lack of training
- No opening for promotion exists
- Other (specify)

2(a) How much do you think, are workers in your section/department interested in promotion?

- Very much
- Not much
- Not at all
- DK

If not much or not at all,

2(b) Why do you say that?

3(a) How are workers identified for promotion in your section/department?

3(b) Which factor is the most important?

4(a) Would you say chances of promotion for workers in your section/department compared with other sections/departments are

- Better than most
- The same as most
- Worse than most

If worse,

4(b) What have management done about it?

5(a) Does the company have a written policy of workers promotion?

- Yes
- No
- DK

If yes,

5(b) What does it consist of?

Now I would like to ask you some questions about workers performance appraisal in your section/department.

1. What is the purpose of workers formal appraisal in this company?

2(a) How many times is workers appraisal performed for the workers in your section/department every year?

2(b) In your opinion, how many times should it be performed every year?

3(a) Who performs the appraisal for the workers in your section/department?

If not the interviewee,

3(b) What is your role in this process?

4. What factors are used in appraising the workers in your section/department?

5(a) In your opinion, are there any other factors which should be used in appraising the workers in your section/department?

- Yes

- No

- DK

If yes,

5(b) What are these factors?

6. Are the results of the appraisal made known to the workers in your section/department?

- Usually

- Sometimes

- Rarely

- Never

If never, ask 7 and go to 9.

If usually, or sometimes or rarely ask 8.

7 (a) In your opinion which is better, to make the results of workers appraisal open or secret?

- open

- secret

- DK

7 (b) Why do you say that?

8 (a) Do workers have the right to discuss their appraisal?

- Usually

- sometimes

- rarely

- never

If usually, sometimes, or rarely:

8(b) With whom?

8(c) What is the purpose of this discussion?

9(a) Do you think the appraisal system in this company is

- Fair

- Unfair

- DK

If unfair,

9(b) Why?

10(a) Are there any written instructions on how to perform the appraising task in this company?

- Yes

- No

- DK

If yes,

10 (b) Could you tell me what do you know about them?

11(a) Have you received any training on how to perform the appraising task?

- Yes

- No

If yes,

11(b) Was the programme carried out inside or outside the company?

- Inside

- Outside

11(c) How long did it last?

11(d) Could you tell me the contents of this programme?

12(a) Do you write down any notes to be used in appraising the workers in your section/department?

- Yes

- No

If yes,

12(b) What are the contents of these notes?

12(c) Where are they kept?

13(a) Generally speaking, would you say workers formal appraisal in this company is

- Important

- Unimportant

- DK

If unimportant,

13(b) Why?



We have talked about quite a number of things. Now I would like to ask you about workers discipline in this company.

1. What do you think, is the primary function of the disciplinary system in this company?

2(a) Would you say that discipline is only a sanction of last resort?

- Yes

- No

- DK

2(b) Why or why not?

3. What do you think about discipline in this company?

Would you say it is

- Too strict

- About Right

- Easy going

- DK

4(a) Do you praise a worker who has done particularly good work in your section/department?

- Usually

- Sometimes

- Rarely

- Never

- DK/No Response

If usually, sometimes or rarely,

4(b) How is he praised?

- Orally

- Formal recognition in the company bulletin

- Other (specify)

If never,

4(c) Why is that?

5(a) Is a worker reprimanded when he makes a mistake in his work in your section/department?

- Usually

- Sometimes

- Rarely

- Never

If usually or sometimes or rarely

5(b) Who reprimands a worker?

5(c) How is a worker reprimanded?

If never,

5(d) Why is that?

6(a) Have you ever been involved in taking a disciplinary action against any of your workers?

- Yes

- No

If yes, ask 6(b)

If no, ask 6(c)

6(b) Could you tell me what happened in the last case?

6(c) Who was involved?

7(a) Do you know the formal procedures by which a worker can complain when he feels that he has been treated unjustly?

- Yes

- No

If yes,

7(b) Could you tell me what do you know about these procedures?

7(c) In your opinion, do these procedures provide adequate protection for workers?

- Yes

- No

- DK

7(d) Why do you say that?

8(a) Have you received any training on how to carry out disciplinary actions?

- Yes

- No

If yes,

8(b) Was this training carried out inside or outside the company?

- Inside

- Outside

8(c) How long did it last?

8(d) Could you tell me the contents of this programme?

Finally, I would like to ask you some questions about the training of the workers in your section/department. \*

1(a) When a worker first takes up his job in your section/department, who trains him?

1(b) In what way?

2(a) Do you select workers in your section/department for off-the-job training?

- Yes

- No

If yes, ask 2(b), 2(c), and go to 3

If no, ask 2(d), 2(e), 2(f) and 2 (g)

2(b) How do you select them?

2(c) What factor is the most important?

2(d) Who does?

2(e) Are you involved in this process?

- Yes

- No

If yes,

2(f) How?

If no,

2(g) Why is that?

3(a) How useful is off-the-job training to workers in your section/department?

- Very useful

- Useful

- Not Useful

- Not applicable

- DK

If very useful, or useful

3(b) In what way?

If not useful;

3(c) Why is that?

4(a) In your section/department, have workers been rewarded for undertaking the training?

- Yes

- No

If yes,

4(b) In what way?

---

\* This section was dropped after the pilot study.

5(a) Do you think, workers in your section/department would benefit from further training?

- Yes

- No

- DK

If yes,

5(b) What kind of training?

5(c) Do you have a plan for giving them this training?

- Yes

- No

If yes,

5(d) Can I have a copy of this plan?

6(a) Do you think they will be able to obtain this training?

- Certainly

- Probably

- Unlikely

- DK

6(b) Why do you say that?

7(a) Have you yourself ever received off-the-job training since you came here?

- Yes

- No

If yes,

7(b) What off-the-job training have you received?

Name of the programme

Period

Contents

7(c) How useful has the training been to your work?

- Very useful

- Useful

- Not useful

- Not applicable

7(d) If useful, in what way?

7(e) If not useful, why is that?

Is there anything else you would like to tell me?

Thank you for your help.



# G L O S S A R Y

English	Arabic	Transliteration
Job	وظيفة	wazīfa
Auxiliary worker	عامل خدمات	‘āmil khadāmat
Machine operator	عامل على ماكينة	‘amil ‘ala mākīna
Maintenance worker	عامل صيانة	‘āmil ṣiyāna
Foreman	مباشير	mubāshir
Supervisor	مدخل / مشرف	mulāhiz/mushrif
Section Manager	رئيس قسم	ra’īs qism
Department Manager	مدير إدارة	mudīr idāra
Plant Manager	مدير مصنع	mudīr maṣna‘
Leaving Certificate	مؤهل	mu’ahhal
Primary	إبتدائي	ibtidā’ī
Preparatory	إعدادي	i‘dadī
Secondary :	ثانوي	thānawī
Commercial	تجاري	tijārī
Industrial	صناعي	sinā’ī
Agricultural	زراعي	zira’ī
General	عام	‘āmm
University	جامعة	jāmi’a
Illiterate/unqualified	بدون مؤهل	bi-dūn mu’ahhal
Second Job	وظيفة ثانية	wazīfa thāniya
Similar Job	وظيفة مماثلة	wazīfa mumāthila
Farming	زراعة	zira’a
Labour on construction sites	عامل في أعمال البناء	‘amil fī a’māl al-binā’
Carpenter	نجار	najjār
Green grocer	خضري	khuḍarī
Clothes presser	مكوجس	makwagī
State-Owned houses (cf: council house in UK)	ساكن عامة	masākin ‘amma
Company houses	ساكن الشركة	masākin al-shirka
Rented Accommodation	مكن مؤجر	maskan mu’ajjar
Own house	بيت ملك	bayt milk
Wage, Basic	أجر أساسي	ajr asāsī
Incentives	حوافز	ḥawafiz
Inflation payment	غلاء معيشة	ghalā’ ma’isha
Nature of work payment	بدل طبيعة عمل	badal ṭabī‘at ‘amal
Fringe benefits	مزايا عينية	mazāyā ‘ayniyya

A P P E N D I X (3)

The Questionnaires in Arabic

جامعة ادنبره  
كلية العلوم الاجتماعية  
قسم ادارة الاعمال

استقصاء موجه للعمال فى شركة

اسكو

(المحلات الصناعية للحريروالقطن)

أعدت هذه القائمة لتوفير جانب من البيانات  
اللازمة لاعداد رساله علميه للحصول على درجة  
الدكتوراه فى ادارة الأعمال ، يقوم باعدادها  
أحد المبعوثين المصريين فى الخارج.

ان مجال اهتمامى هو افكارك فيما يتعلق بوظيفتك وبعض سياسات الشركة ولكن أولا، أود أن أعرف بعض البيانات العامة عنك .

١ - ماهو عمرك الحالى ؟

٢ - (أ) ماهو عدد السنوات التى أمضيتها فى التعليم؟

٢-(ب) ماهو نوع المؤهل الذى حصلت عليه ؟

- بدون مؤهل

- ابتدائى

- اعدادى : عام      صناعى      تجارى      زراعى

- ثانوى : عام      صناعى      تجارى      زراعى

- أخرى ( تذكر )

٣-(أ) ماهى وظيفتك الحالية؟

٣-(ب) ماهى الدرجة المالية التى تشغلها حاليا؟

٤ - ماهى مدة خدمتك فى هذه الشركة؟



هـ (أ) هل سبق لك العمل في شركة أخرى؟

نعم لا لم يقرر

في حالة الإجابة بـ (نعم):

هـ (ب) ماهو عدد سنوات خدمتك في شركة/شركات أخرى؟

هـ (ج) ماهي الشركة/الشركات الأخرى التي سبق لك الخدمة بها؟

اسم الشركة نوع الصناعة عدد الوظائف التي شغلتها

٦ (أ) هل سبق لك العمل في أي بلد عربي قبل الالتحاق بالعمل

في هذه الشركة؟

نعم لا لم يقرر

في حالة الإجابة بـ (نعم):

٦ (ب) ماهو عدد السنوات التي قضيتها في البلاد العربية قبل

العمل في هذه الشركة؟

٦ (ج) ماهي البلاد/ البلاد التي عملت بها؟

٦ (د) هل سبق لك العمل في بلاد عربيه أثناء خدمتك في هذه

الشركة؟

نعم لا لم يقرر

في حالة الإجابة بـ (نعم):

٦ (هـ) ماهو عدد السنوات التي قضيتها في البلاد العربية أثناء

خدمتك في هذه الشركة؟

٦(و) ماهى البلد/ البلاد التى عملت بها؟

٧(أ) ماهو مجموع دخلك الصافى من الشركة حاليا؟

٧(ب) ماهى تفصيلات دخلك الحالى؟

- أجر أساسى

- حوافز

- غلاء معيشة

- بدل طبيعة عمل

- أخرى ( تذكر )

٨ - ماهى حالتك الاجتماعية؟

- أعزب - خاطب - متزوج - مطلق - أرمل

٩ (أ) ماهو عدد أبنائك الذين تعولهم ؟

٩(ب) ماهو عدد الافراد الآخرين الذين تعولهم بخلاف زوجتك  
وأبنائك؟

١٠(أ) هل زوجتك تعمل ؟

نعم

لا

لاينطبق

فى حالة الاجابة ب(نعم):

١٠(ب) ماهو مقدار دخلها الشهرى؟

فى حالة الاجابة ب-(لا):

١٠(ج) اذا تمكنت زوجتك من الحصول على عمل ، هل تسمح لها بأن

تعمل؟

نعم

لا

١٠ (د) لماذا توافق / لاتوافق ؟

١١ - أين نشأت ؟

- قريه - مدينه - القاهرة

١٢ (أ) أين تقيم الآن ؟

- مساكن الشركه - مساكن عامه

- مسكن تستاجر من مالك خاص - مسكن تملكه

إذا كنت تستاجر مسكنك الحالي:

١٢ (ب) ماهى قيمة الايجار الشهرى؟

١٢ (ج) هل أسرتك تقيم معك الآن؟

لاينطبق

لا

نعم

فى حالة الاجابة ب-(لا):

١٢ (د) أين تقيم أسرتك الآن؟

١٢ (هـ) ماهى المسافة بين مقر سكنك ومقر سكن أسرتك ؟

١٢ (و) ماهو معدل زيارتك لهم عادة؟

١٢ (ز) ماهو المبلغ الذى ترسله لهم شهريا؟

١٣ (أ) هل تقوم بزيارة القريه/المدينة التى نشأت بها؟

لاينطبق

لا

نعم

فى حالة الاجابة ب-(نعم):

١٣ (ب) ماهو معدل زيارتك لهذه القريه/المدينة؟

١٣(ج) ماهى صلتك بالاشخاص الذين تزورهم هناك ؟

الآن أود أن أعرف رأيك بالنسبة لبعض النقاط التى تتعلق  
بوظيفتك الحالية.

١٤- فى البدايه ، أود أن أعرف لماذا قررت أن تعمل فى هذه الشركة؟

- نخل جيد.

- موقع الشركة

- سمعة الشركة

- أصدقاء أو اقارب يعملون فى الشركة.

- اخرى ( تذكر )

١٥- فيما يلى عبارتين ، أود أن أعرف بالنسبة لكل عبارة هل توافق

عليها أم لا وما هو سبب ذلك .

١٥(أ) ان معظم العمال فى هذه الشركة يعملون من أجل كسب قوتهم

فقط .

لا أرى

غير موافق

موافق

ماهو السبب ؟

١٥(ب) يرغب العمال فى العمل بجد من أجل تجنب العقاب .

لا أرى

غير موافق

موافق

ماهو السبب ؟

١٦- أود أن أعرف رأيك بالنسبة لعدد من العوامل المرتبطة بوظيفتك.

١٦(أ) الرجاء أن تحدد درجة توافر كل عامل من العوامل الاتية فوظيفتك

حاليا .



متوفرة بدرجة قليلة	متوفرة بدرجة متوسطة	متوفرة بدرجة كبيرة	العوامل
			<ul style="list-style-type: none"> <li>- دخل نقدي جيد</li> <li>- علاقة طيبة مع الزملاء</li> <li>- فرص الترقية الوظيفية اعلى</li> <li>- الاستقرار والامان في العمل</li> <li>- الخدمات العينية (مواصلات - خدمات طبية...)</li> <li>- المعاملة العادلة للعمال من جانب الاداره</li> </ul>

١٦ (ب) الرجا أن ترتب أهم ثلاث عوامل تبعا لدرجة أهميتها من وجهة نظرك ؟

- دخل نقدي جيد.
- علاقة طيبة مع الزملاء.
- فرص الترقية الوظيفية اعلى.
- الاستقرار والامان في العمل.
- الخدمات العينية ( المواصلات - الخدمات الطبيه ..)
- المعاملة العادلة للعمال من جانب الاداره .

١٧ - (أ) هل سبق لك أن فكرت في شيء يتصل بعملك بعد انتهاء وريدتك وعودتك الى منزلك ؟

نعم لا لم يقرر

في حالة الاجابه ب-(نعم):

١٧ (ب) ماهي الاشياء التي تفكر فيها عادة؟

١٨ (أ) هل يوجد وظيفة أخرى فى هذه الشركة تشعر بانك تفضل آداؤها

بدلاً من وظيفتك الحالية؟

لا رأى

لا

نعم

فى حالة الاجابة بـ (نعم):

١٨ (ب) ماهى هذه الوظيفة؟

١٨ (ج) لماذا تفضل هذه الوظيفة عن وظيفتك الحالية؟

١٩ - اذا كان باستطاعتك ان تعدل شىء واحد فى وظيفتك ، ماذا يكون

هذا الشىء ؟

٢٠ (أ) هل سبق لك أن فكرت أو تفكر فى ترك وظيفتك ؟

لم يقرر

لا

نعم

٢٠ (ب) ماهو السبب؟

فى حالة الاجابة بـ (نعم):

٢٠ (ج) هل فعلت أى شىء من أجل ذلك ؟

لا

نعم

فى حالة الاجابه بـ (نعم):

٢٠ (د) ماذا فعلت ؟

لم يقرر

٢١(أ) اذا كان لك حرية الاختيار، ماهى المدة التى تتوقع أن تقضيها  
فى العمل بهذه الشركة؟

٢١(ب) ماهو سبب ذلك ؟

٢٢(أ) اذا كان بإمكانك ان تحصل على وظيفة مناسبة لك فى شركة أخرى  
هل يوجد ما يمنعك من القيام بهذا؟

لم يقرر

لا

نعم

فى حالة الاجابة ب (نعم):

٢٢(ب) ما الذى يمنعك ؟

أو أن أتحدث معك الآن عن نظام الحوافز فى وظيفتك.

٢٤- الى أى مدى تشعر بأنك تفهم نظام الحوافز الحالى فى وظيفتك ؟

- أفهمه جيدا - أفهمه بدرجة متوسطة - لا أفهمه مطلقا

إذا كانت الاجابة أفهمه جيدا أو أفهمه بدرجة متوسطة

السؤال ٢٥ ثم ٢٨

إذا كانت الاجابة لا أفهمه مطلقا السؤال ٢٦ وما يليه

٢٥ (أ) ماهى العوامل التى تؤخذ فى الاعتبار عند تحديد مقدار الحوافز المستحقة لك ؟

٢٥ (ب) هل تعتقد أن هناك عوامل أخرى يجب أخذها فى الحسبان؟

نعم لا لا أرى

فى حالة الاجابة بـ (نعم):

٢٥ (ج) ماهى هذه العوامل؟

٢٦ (أ) هل من المهم بالنسبة لك أن تلهم كيف يتم تحديد مقدار الحوافز المستحقة لك ؟

مهم جدا - مهم - غير مهم - لا أرى

إذا كانت الاجابة غير مهم:

٢٦ (ب) ماهو سبب ذلك ؟

٢٧ (أ) هل سبق لك أن حاولت فهم نظام الحوافز فى وهيتك ؟

نعم لا

فى حالة الاجابة بـ (نعم):

٢٧ (ب) ماذا فعلت؟



٢٨ (أ) هل تعتقد أنه لكي تحصل على حافز في ظل معدلات الاداء الحالية يجب أن:

- تبذل جهد كبير في العمل.
- تبذل جهد عادي في العمل.
- تبذل جهد قليل في العمل.
- لا رأي.
- لا ينطبق.

٢٨ (ب) ماهو سبب ذلك ؟

٢٩ (أ) ماهو معدل مراجعة معدلات الاداء في وظيفتك ، هل يتم ذلك :

- بشكل منتظم.
- عندما تستدعي الظروف .
- نادرا
- لا يحدث مطلقا
- لا أرى

اذا كانت الاجابه لا يحدث مطلقا ٢٩ (و) ، ٢٩ (ز)

اذا كانت الاجابه بشكل منتظم أو عندما تستدعي الظروف أ و

نادرا ، الاسئلة ٢٩ (ب) ، ٢٩ (ج) ، ٢٩ (د) ، ١٩ (هـ) ثم ٣٠

٢٩ (ب) متى تم آخر تعديل في معدلات الاداء المطلوبه في وظيفتك ؟

٢٩ (ج) ماذا كان سبب هذا التعديل ؟

٢٩ (د) هل يعتبر هذا التعديل ، في رأيك ، عادلا ؟

لا رأي

لا

نعم

٢٩(هـ) لماذا تعتقد ذلك ؟

٢٩(و) هل تعتقد أن معدلات الأداء الحالية عادلة ؟

نعم لا لا رأى

٢٩(ز) لماذا تعتقد ذلك ؟

٣٠(أ) هل تعتقد أن تسعيرة الوحدة حاليا تعتبر:

- مرتفعة - مناسبة - منخفضة - لا رأى - لا ينطبق

٣٠(ب) ماهو سبب ذلك؟

٣١(أ) " أن مقدار دخل العامل في هذه الشركة يعتمد الى حد كبير

على مقدار الجهد الذي يبذله في العمل " هل توافق على هذه

العبارة أم لا ؟

موافق غير موافق لا رأى

٣١(ب) ماهو السبب ؟

٣٢- كيف تصف العلاقة بين مقدار الجهد الذي تبذله في عملك

ومقدار الانتاج الذي تحققه ؟ ، هل تقول انهما:

- مرتبطان تماما .

- مرتبطان الى حد ما .

- غير مرتبطين بالمره

- لا رأى

- لا ينطبق .

٢٣(أ) هل تعتقد أن مقدار الحوافز الذي تحصل عليه حالياً يعتبر

كافئ؟

— كافئ جداً — كافئ — غير كافئ — لا رأى

إذا كانت الاجابة غير كافئ:

٢٣(ب) ماهو المقدار الذي تعتبره كافئ؟

لقد تحدثنا حتى الان من وظيفتك وعن الحوافز، والان أود أن

أتحدث معك من الترقية.

٢٥(أ) هل تم ترقيتك من قبل في هذه الشركة ؟

لا

نعم

في حالة الاجابة بـ(نعم):

٢٥(ب) كم مره تم ترقيتك ؟

٢٥(ج) ماهى الوظائف التى رقيت اليها؟

٢٥(د) هل يمكنك ان تخبرنى كيف تمت عملية الترقية؟

٢٥(هـ) هل حصلت على زيادة فى دخلك نتيجة لهذه الترقية؟

لا

نعم

في حالة الاجابة بـ ( لا ):

٢٥ (و) ماهو سبب ذلك؟

٣٦ (أ) ماهو تقديرك لفرص حصولك على ترقية في وظيفتك الحالية؟

هل تقول بأن الفرص :  
- كبيرة - متوسطة - ضعيفة - لا أمل على الإطلاق - لا رأى

في حالة الاجابة ، الفرص ضعيفة أو لا أمل على الإطلاق :

٣٦ (ب) ماهو ، في رأيك ، سبب ذلك ؟

- نقص التعليم .

- نقص التدريب .

- عدم وجود وظائف شاغرة يمكن الترقية اليها .

- أخرى ( تذكر ) :

٣٧ (أ) الى اي مدى ترغب في الحصول على ترقية ، هل لديك :

- رغبة قوية - رغبة متوسطة - لا ترغب على الإطلاق - لا رأى

٣٧ (ب) ماهو سبب ذلك ؟

٣٨ (أ) كيف يتم اختيار العمال للترقية في هذه الشركة ؟

٣٨ (ب) ماهو أهم عامل يؤخذ في الاعتبار لترقية العامل؟

٣٩ (أ) اذا قارنت فرص الترقية في وظيفتك مع فرص الترقية في الوظائف

العمالية الاخرى بالمصنع ، هل تعتقد أن فرص الترقية في وظيفتك :

- أفضل من الوظائف الاخرى

- مماثلة للوظائف الاخرى .



- أسوء من الوظائف الاخرى.

- لا رأى

فى حالة الاجابة ، أسوء من الوظائف الاخرى :

٣٩(ب) فى رأىك ، ماذا يجب على الاداره ان تفعله بخصوص ذلك ؟

٤٠(أ) هل تتوقع أن تكون فى نفس الوظيفة بعد خمس سنوات ؟

لم يقرر

لا

نعم

٤٠(ب) ماهو السبب ؟



٤١(أ) هل يوجد بالشركة سياسة لترقيه العمال؟

لا أمرف

لا

نعم

فى حالة الاجابة بـ(نعم):

٤١(ب) ماهو مضمون هذه السياسة؟



أود أن أتحدث معك الان عن تقارير الكفايه الخاصه

بالعمال .

٤٢- كم مره يتم اعداد تقرير كفايه منك كل سنة؟

٤٣(أ) من الذى يقوم باعداد التقرير؟

- رئيس الورديه

- رئيس القسم

- اداره الافراد

- المباشر

- اخر (يذكر)

إذا لم يذكر رئيس الورديه

٤٣(ب) ماهو دور رئيس الورديه في هذه العملية؟

٤٤- ماهو في اعتقادك ، الهدف من اعداد تقارير كفاية من

العمال في هذه الشركة ؟

٤٥(أ) هل تعرف العوامل التي تؤخذ في الاعتبار عند اعداد تقرير الكفاية منك ؟

نعم لا

في حالة الاجابة ب (نعم):

٤٥(ب) ماهي هذه العوامل؟



٤٦(أ) هل تعتقد أن هناك عوامل أخرى يجب أخذها في الاعتبار؟

نعم لا لا رأى

في حالة الاجابة ب-(نعم):

٤٦(ب) ماهي هذه العوامل؟



٤٧- هل يخبرك أحد بما يتضمنه تقرير الكفاية الذي يعد منك؟

- دائما - احيانا - نادرا - لا يحدث مطلقا

إذا كانت الاجابة لا يحدث مطلقا ، السؤال ٤٨ ثم ٥٠

إذا كانت الاجابة احيانا أو نادرا ، السؤال ٤٩

إذا كانت الاجابة دائما ، السؤال ٤٩(ب) ، ٤٩(ج) و ٤٩(د)

٤٨(أ) ماهو الافضل في رأيك، ان تكون تقارير الكفاية التي تعد

من العمال عنده ام سرية ؟

- عنده - سرية - لا رأى

٤٨(ب) ماهو سبب ذلك ؟

٤٩(أ) متى يتم ذلك ؟

٤٩(ب) هل من حق العمال مناقشة تقارير الكفاية التي تعد عنهم؟

- دائما - احيانا - نادرا - لا يحدث مطلقا

٤٩(ج) مع من تتم هذه المناقشة ؟

٤٩(د) هل يكون لهذه المناقشة اى فائدة حقيقية ؟

٥٠(أ) هل تعتقد ان كل عامل يحصل على حقه منذ اعداد تقارير

الكفاية ؟

نعم لا لا رأى

٥٠(ب) ماهو سبب ذلك ؟

٥١(أ) بشكل عام، هل تعتقد ان اعداد تقارير كفاية من العمال فسر

هذه الشركة يعتبر امرا ضروريا ؟

- نعم - لا - لا رأى

٥١(ب) ماهو سبب ذلك ؟

لقد تحدثنا حتى الان عن عدة اشياء. والان ، اود أن اتحدث  
معك عن الجزاءات وقواعد العمل في هذه الشركة.

٥٢(أ) هل تعتقد ان الادارة تنفذ قواعد العمل في هذه الشركة

بطريقة:

- متشددة - معقولة - سهلة  
- لا رأى

٥٢(ب) هل تم توقيع اى جزاءات عليك في هذه الشركة ؟

نعم لا

في حالة الاجابة بـ(نعم):

٥٢(ج) ماذا حدث في اخر جزاء تم توقيعك عليه ؟

٥٢(د) هل انت راض من الطريقة التي عولجت بها هذه الحالة؟

نعم لا لم يقرر

٥٢(هـ) لماذا؟

٥٢(و) من الذئوقع عليك هذا الجزاء الاخير؟



٥٣(أ) هل تعبر الإدارة عن تقديرها للعامل الذى يقوم بعمل ممتاز؟

- دائما - احيانا - نادرا - لا يحدث مطلقا - لا رأى

إذا كانت الاجابة دائما أو أحيانا أو نادرا:

٥٣(ب) كيف يتم ذلك ؟

- شفويا - كتابة - شكر للعامل فى لوحة الاعلانات

- اخرى (تذكر):

إذا كانت الاجابة لا يحدث مطلقا؟

٥٣(ج) ماهو سبب ذلك ؟

٥٣(د) هل سبق مكافأتك للقيام بعمل ممتاز فى هذه الشركة؟

نعم لا

فى حالة الاجابة ب-(نعم):

٥٣(هـ) ماذا حدث ؟

٥٤(أ) هل يخبرك احد عندما ترتكب خطأ فى عملك ؟

- دائما - احيانا - نادرا - لا يحدث مطلقا

إذا كانت الاجابه، دائما أو أحيانا أو نادرا/

٥٤(ب) من الذى يخبرك ؟

إذا كانت الاجابه ، لا يحدث مطلقا:

٥٤(ج) لماذا ؟

٥٥ (أ) هل تعرف المخالفات التي يمكن معاقبتك عليها في هذه الشركة؟

نعم لا

في حالة الاجابة بـ (نعم):

٥٥ (ب) هل يمكنك اعطائي بعض الامثلة؟

٥٥ (ج) كيف عرفت ذلك ؟

٥٦ (أ) هل تعرف الجزاء المقرر لكل مخالفة من هذه المخالفات ؟

نعم لا

في حالة الاجابة بـ (نعم):

٥٦ (ب) هل يمكنك اعطائي بعض الامثلة ؟

٥٦ (ج) كيف عرفت ذلك ؟

٥٧ (أ) من خبرتك السابقة، ماهو افضل شيء تفعله عندما تشعر بانك

لم تعامل بطريقة عادلة في هذه الشركة ؟

- تحتفظ بمشكلتك في داخلك ولا تتحدث عنها .

- تتحدث مع احد الاصدقاء من العمال عن المشكلة التي

تضايقك .

- تتحدث مع اسرتك عن هذه المشكلة .

- تتظلم الى رئيس القسم .

- تتظلم الى المستوى الاداري الاعلى

٥٧ (ب) لماذا لا تتظلم ؟

٥٨ (أ) هل تعرف الاجراءات الرسمية للتظلم في هذه الشركة؟

نعم لا

في حالة الاجابة بـ (نعم):

٥٨ (ب) ماهي هذه الاجراءات؟

٥٨ (ج) كيف عرفت هذه الاجراءات؟

٥٨ (د) هل تعتقد أن هذه الاجراءات توفر حماية كافية للعمال؟

نعم لا لا رأى

٥٨ (هـ) لماذا؟

أو أن اتحدث معك الآن عن التدريب في هذه الشركة.

٥٩ (أ) من الذى قام بتدريبك عندما تسلمت عملك لأول مرة في هذه الشركة؟

٥٩ (ب) ماهي الاشياء التي تم تدريبك عليها؟

٦٠ (أ) هل تلقيت أي تدريب خارج مكان العمل منذ التحقت بهذه الشركة؟

نعم لا

في حالة الاجابه بـ (نعم):

٦٠ (ب) ماهو التدريب الذي تلقيته خارج مكان العمل منذ التحقت

بهذه الشركة؟

اسم البرنامج	مدة البرنامج	محتويات البرنامج

٦١- لماذا تلقيت تدريب خارج مكان العمل ؟

٦٢- (أ) هل هذا التدريب مفيد لعملك ؟

- مفيد جدا - مفيد - غير مفيد - لا ينطبق - لم يقرر  
إذا كانت الإجابة ، مفيد جدا أو مفيد:

٦٢ (ب) من أي ناحية ؟

إذا كانت الإجابة ، غير مفيد:

٦٢ (ج) ما هو سبب ذلك ؟

٦٣ (أ) هل حملت على أي مكافأة من الشركة عندما تلقيت هذا التدريب ؟

نعم لا لم يقرر

في حالة الإجابة ب- (نعم):

٦٣ (ب) ما هي هذه المكافأة ؟

٦٤ (أ) هل تعتقد أنك في حاجة لحضور برامج تدريبية معينة ؟

نعم لا لا رأي

في حالة الإجابة ب- (نعم):

٦٤ (ب) ما هي هذه البرامج ؟



٦٤(ج) هل تعتقد أنه سيكون بإمكانك الحصول على هذا التدريب ؟

- بالتاكيد - من المحتمل - من غيرالمحتمل - لا رأى

٦٤(د) لماذا ؟

٦٥- من الذى يختار العمال لحضور برامج تدريبيه خارج مكان العمل؟

- مدير المصنع - رئيس القسم - ادارة التدريب  
- أخرى (تذكر):

٦٦- ماهى ، فى اعتقادك ، العوامل التى تستخدم عند اختيار العمال لحضور برامج تدريبيه خارج مكان العمل؟

- الاقدميه - الكفاءه فى العمل - التدريب السابق  
- توصية رئيس القسم - العلاقات الطيبة مع الادارة  
- أخرى(تذكر):

اخيرا، أود أن أعرف بعض بيانات قليله منك .

٦٧(أ) هل تقوم باى عمل آخر خارج هذه الشركة ؟

- نعم - لا - لم يقرر

فى حالة الاجابه ب- ( لا ) ، السؤال ٦٨

فى حالة الاجابه ب-(نعم)

٦٧(ب) ماهو هذا العمل ؟

٦٧(ج) ماهو مقدار دخلك الشهرى من هذا العمل ؟

٦٨(أ) هل ترغب فى الحصول على عمل اضافى خارج الشركة ؟

نعم لا لا رأى

في حالة الاجابه بـ (نعم):

٦٨ (ب) ماهو نوع العمل الذي ترغب في مزاولته؟

٦٨ (ج) هل هناك فرصه لحصولك على هذا العمل ؟

لا رأى

لا

نعم

هل لديك أى بيانات أخرى تود اضافتها؟

شكرا على تعاونك؟

جامعة ادنبره  
كلية العلوم الاجتماعية  
قسم ادارة الاعمال

استقصاء موجه للساده المديرين  
والرؤساء فى شركة اسكو  
(المحلات الصناعيه للحريير والقطن)

أعدت هذه القائمة لتوفير جانب من البيانات اللازمة  
لاعداد رساله علميه للحصول على درجة الدكتوره  
فى ادارة الاعمال ، يقوم باعدادها أحد المبعوثين  
المصريين فى الخارج .

ان مجال اهتمامى هو افكارك فيما يتعلق بحاجات العمال  
وبعض سياسات الشركة المرتبطة بالعمال ولكن اولاً، أود أن أعرف  
بعض البيانات العامة هناك .

١- ماهو عمرك الحالى؟

٢(أ) ماهو عدد السنوات التى امضيتها فى التعليم؟

٢(ب) ماهو نوع المؤهل الذى حملت عليه؟

- بدون مؤهل

- ابتدائى

- اعدادى : عام      صناعى      تجارى      زراعى

- ثانوى : عام      صناعى      تجارى      زراعى

- بكالوريوس

- ماجستير

- اخرى (تذكر):

٢(أ) ماهى وظيفتك الحالية؟

- مباشر      - رئيس ورديه      - رئيس قسم

- رئيس اقسام      - مدير مصنع      - اخرى ( تذكر)

٢(ب) ماهى الدرجة الماليه التى تشغلها حالياً؟

٢(ج) ماهو عدد الوظائف التى شغلتها من قبل فى هذه الشركة؟

٢(د) ماهى هذه الوظائف؟



٣(هـ) هل تشرف حاليا على:

- ممال انتاج
- عمال خدمات انتاجيه
- كلاهما.

٣(و) ماهو مجال النشاط الذى تقع فيه وظيفتك الحاليه؟

- قطن : - غزل - نسيج - تجهيزات
- صوف : - غزل - نسيج - تجهيزات
- حرير: - تحفيرات - غزل - خدمات انتاج
- ٤ - ماهى مدة خدمتك فى هذه الشركة ؟

٥(؟) هل سبق لك العمل فى شركة اخرى؟

نعم لا

فى حالة الاجابه ب-(نعم):

٥(ب) ماهو عدد سنوات خدمتك فى شركة / شركات اخرى ؟

٥(ج) ماهى الشركة / الشركات الاخرى التى سبق لك الخدمة بها؟

اسم الشركة نوع الشركة عددالوظائف التى شغلتها

٦(أ) هل سبق لك العمل فى اى بلد عربى قبل الالتحاق بالعمل فى

هذه الشركة؟

نعم لا

فى حالة الاجابة ب-(نعم):

٦(ب) ماهو عدد السنوات التى امضيتها فى البلاد العربية قبل

الالتحاق بالعمل فى هذه الشركة؟

٦(ج) ماهى البلد/ البلاد التى عملت بها؟

٦(د) هل سبق لك العمل فى بلاد عربية اثناء خدمتك فى هذه الشركة؟

لا

نعم

فى حالة الاجابة بـ(نعم):

٦(هـ) ماهو عدد السنوات التى أمضيتها فى البلاد العربية اثناء

خدمتك فى هذه الشركة ؟

٦(و) ماهى البلد/ البلاد التى عملت بها؟

٧(أ) ماهو مجموع دخلك المافى الذى تحصل عليه حاليا فى هذه

الشركة؟

٨(ب) ماهى تفصيلات دخلك الحالى من البنود التالية:

- مرتب أساسى.

- حوافز.

- غلاء معيشة.

- بدل طبيعة عمل.

- بدلات أخرى (تذكر):

٨ - ماهى حالتك الاجتماعية؟

- اعزب - - - - - خاطب - - - - - متزوج - - - - - مطلق - - - - - أرمل

٩(أ) ماهو عدد ابنائك الذين تعولهم؟

٩(ب) ماهو عدد الافراد الاخرين الذين تعولهم بخلاف زوجتك وابنائك؟

١٠ (أ) هل زوجتك تعمل ؟

لا ينطبق

لا

نعم

في حالة الاجابة بـ (نعم):

١٠ (ب) ماهو مقدار دخلها الشهري ؟

في حالة الاجابة بـ (لا):

١٠ (ج) اذا تمكنت زوجتك من الحصول على عمل ، هل تسمح لها بأن تعمل؟

لا

نعم

١٠ (د) لماذا توافق / لاتوافق ؟

١١ - اين نشأت ؟

- القاهرة

- مدينة

- قرية

١٢ (أ) اين تقيم الان؟

- مساكن الشركة - مساكن علمه

- مسكن تستأجره من مالك خاص - مسكن تملكه

اذا كنت تستأجر مسكنك الحالي:

١٢ (ب) ماهى قيمة الايجار الشهري ؟

١٢ (ج) هل اسرتك تقيم معك الان ؟

لا ينطبق

لا

نعم

في حالة الاجابة بـ (لا):

١٢ (د) اين تقيم اسرتك الان؟

١٢ (هـ) ماهى المسافه بين مقر سكنك ومقر سكن اسرتك ؟

١٢ (و) ماهو معدل زيارتك لهم عادة؟

١٢ (ز) ماهو المبلغ الذى ترسله لهم شهريا؟

١٣ (أ) هل تقوم بزيارة القرية / المدينة التى نشأت بها؟

نعم لا لاينطبق

فى حالة الاجابة بـ(نعم):

١٣ (ب) ماهو معدل زيارتك لهذه القرية / المدينة ؟

١٣ (ج) ماهى المسافة بين مقر سكنك وهذه القرية / المدينة ؟

١٣ (د) ماهى صلتك بالاشخاص الذين تزورهم فى هذه القرية / المدينة؟

لأن ، اود ان اعرف رأيك فى بعض النقاط التى تتعلق بحاجات

العمال.

١٤ - فيما يلى عدد من العبارات ، اود أن اعرف بالنسبة لكل عبارة

هل توافق عليها ام لا، وما هو السبب ؟

١٤ (أ) ان معظم العمال فى هذه الشركة يعملون من اجل كسب قوتهم

فقط .

موافق غير موافق لا رأى

ماهو السبب ؟

١٤ (ب) ان الواجب الاساسى للرئيس هو ان يجعل العمال يشعرون

باهميتهم وقيمتهم للشركة .

موافق غير موافق لا رأى

ماهو السبب ؟



١٤(ج) اذا تم تحديد واجبات العمال بشكل واضح وتمت مراقبتهم

بشكل دقيق فانهم سيمثلون بانتاجهم الى مستوى الاداء المطلوب

موافق غير موافق لا رأى

ماهو السبب ؟

١٤(د) يرفض العمال في العمل بجد من اجل تجنب العقاب .

موافق غير موافق لا رأى

ماهو السبب ؟

١٥- أود أن اعرف رأيك بالنسبة لعدد من العوامل المرتبطة بوظائف

العمال.

١٥(أ) الرجاء أن تحدد بالنسبة لكل عامل من العوامل الآتية درجة

توافره حالياً في اعتقادك ، بالنسبة للعمال في القسم / الإدارة

التي تعمل بها؟

متوفر بدرجة قليلة	متوفر بدرجة متوسطة	متوفر بدرجة كبيرة	العوامل
			<p>- دخل نقدي جيد</p> <p>- علاقات جيدة وتعاون مع الزملاء</p> <p>- فرص الترقية الى وظيفة اعلى</p> <p>- الاستقرار والامان في العمل</p> <p>- الخدمات العينية ( مواصلات - خدمات طبية )</p> <p>- الاحترام والمعاملة العادلة من الإدارة للعمال</p>

١٥(ب) الرجاء أن ترتب أهم ثلاث عوامل بالنسبة للعمال كفى اعتقادك،

فى القسم/ الادارة التى تعمل بها؟

- دخل نقدى جيد.
- علاقة طيبة وتعاون مع الزملاء
- فرص الترقية الى وظيفة أعلى.
- الاستقرار والامان فى العمل.
- الخدمات العينية ( المواصلات/ الخدمات الطبية )
- الاحترام والمعاملة العادلة من الادارة للعمال

أود أن اتحدث معك الان عن حوافز العمال فى القسم/ الادارة التى  
تعمل بها.

١٦- الى اى مدى تعتقد أن العمال فى القسم/ الادارة التى تعمل بها

يفهمون نظم الحوافز المرتبطة بوظائفهم؟ ، هل تعتقد انهم:

- يفهمونها جيدا - يفهمونها بدرجة متوسطة - لا يفهمونها مطلقا
- لا رأى

١٧(أ) ماهى العوامل التى تؤخذ فى الاعتبار عند تحديد مقدار

الحوافز المستحقة لكل عامل فى القسم/ الادارة التى تعمل بها؟

١٧(ب) هل تعتقد أن هناك عوامل اخرى يجب اخذها فى الحسبان الى

جانب العوامل السابقة؟

نعم لا لا رأى

فى حالة الاجابة ب-(نعم):

١٧(ج) ماهى هذه العوامل؟

١٨ (أ) هل تعتقد أنه من المهم بالنسبة للعمال فهم كيفية حساب مقدار

الحوافز المستحقة لكل منهم؟

- مهم جدا - مهم - غير مهم - لا رأى

إذا كانت الاجابة ، غير مهم؟

١٨ (ب) ماهو السبب؟

١٩ (أ) هل حاولت شرح نظام الحوافز للعمال فى القسم/الادارة التى

تعمل بها؟

نعم لا

فى حالة الاجابة بـ(نعم):

١٩ (ب) لماذا فعلت ذلك ؟

١٩ (ج) كيف شرحت نظام الحوافز للعمال؟

فى حالة الاجابة بـ(لا):

١٩ (د) ماهو السبب؟

٢٠ (أ) هل تعتقد انه لكل يحمل عامل على حافز فى ظل معدلات الاداء المطلوبه

حاليا فى القسم/الادارة التى تعمل بها فان ذلك يتطلب منه أن:

- يبذل جهدا كبيرا فى العمل.

- يبذل جهدا عاديا فى العمل.

- يبذل جهدا قليلا فى العمل

- لاينطبق

- لا رأى

٢٠(ب) ماهو سبب ذلك؟

٢١(أ) ماهو معدل مراجعة معدلات الأداء في القسم/ الادارة التي تعمل بها؟ هل يتم ذلك:

- بشكل منتظم

- عندما تستدعي الظروف

- نادراً

- لا يحدث مطلقاً

- لا رأى

اذا كانت الاجابه لا يحدث مطلقاً، السؤال ٢١ (و) ، ٢١ (ز)

اذا كانت الاجابة بشكل منتظم او عندما تستدعي الظروف أو نادراً

الاسئلة ٢١(ب) ، ٢١(ج) ، ٢١(د) ، ٢١(هـ) ثم السؤال ٢٢

٢١(ب) متى تم اخر تعديل في معدلات الاداء المطلوبه في القسم /الادارة التي تعمل بها؟

٢١(ج) ماهو سبب هذا التعديل؟

٢١(د) هل يعتبر هذا التعديل، في رأيك ، عادلاً؟

نعم لا لا رأى

٢١(هـ) لماذا تعتقد ذلك ؟

٢١(و) هل تعتقد ان معدلات الاداء المطلوبه من العمال حالياً في القسم/ الادارة التي تعمل بها تعتبر عادله؟

نعم لا لا رأى



٢١(ز) لماذا تعتقد ذلك ؟

٢٢(أ) هل تعتقد ان تسعيرة الوحدة حاليا تعتبر:

- مرتفعة - مناسبة - منخفضة - لا رأى - لا ينطبق

٢٢(ب) لماذا تعتقد ذلك؟

٢٣(أ) " ان مقدار دخل العامل في هذه الشركة يعتمد الى حد كبير على

مقدار الجهد الذى يبذله في العمل " . هل توافق على هذه

العبارة ام لا؟

- موافق - غير موافق - لا رأى

٢٣(ب) ما هو سبب ذلك ؟

٢٤(أ) كيف تصف العلاقة بين مقدار الجهد الذى يبذله العامل في عمله،

ومقدار الانتاج الذى يحققه في القسم/ الادارة التى تعمل بها،

هل تعتقد انها:

- مرتبطان تماما .

- مرتبطان الى حد ما

- غير مرتبطين بالمره

- لا رأى

- لا ينطبق

٢٥(أ) هل تعتقد ان مقدار الحوافز التى يمكن للعامل ان يحمل عليها

حاليا في القسم/ الادارة التى تعمل بها يعتبر كافى لتشجيع

العمال على بذل جهد اكبر في العمل؟

- كالى جدا - كافى - غير كافى - لا رأى

٢٥(ب) ما هو في اعتقادك المبلغ الكافى ؟

أرد أن اتحدث معك الآن عن ترقية العمال في القسم/ الإدارة  
التي تعمل بها.

٢٧(أ) ماهو تقديرك لفرص ترقية العمال في القسم/الإدارة التي تعمل  
بها؟ هل تعتقد أنه يوجد فرصة:

- كبيره - متوسطة - ضعيفة - لا أمل على الإطلاق - لا رأى  
في حالة الاجابة بان الفرصه ضعيفة اولا امل على الإطلاق؟

٢٧(ب) ماهو ،لرأيك، سبب ذلك ؟

- نقص التعليم لدى العمال.

- نقص التدريب .

- عدم وجود وظائف شاغره يمكن الترقية اليها

- اخرى (تذكر):

٢٨(أ) الى اى مدى تعتقد ان العمال يرغبون في الترقية؟ هل تعتقد أن لديهم

- رغبة قوية - رغبة متوسطة - لا يرغبون على الإطلاق - لا رأى

٢٨(ب) ماهو السبب في ذلك؟

٢٩(أ) كيف يتم اختيار العمال الذين سيتم ترقيةهم في القسم/الإدارة

التي تعمل بها؟

٢٩(ب) ماهو اهم عامل يؤخذ فى الحسان عند اختيار احد العمال للترقية؟

٣٠(أ) اذا قارنت فرص ترقية العمال فى القسم/ الادارة التى تعمل بها

مع فرص ترقية العمال فى الاقسام الاخرى، هل تعتقد أن هذه

الفرص فى القسم/ الادارة التى تعمل بها:

- افضل من الاقسام الاخرى.

- مماثلة للاقسام الاخرى

- أسوأ من الاقسام الاخرى.

- لا رأى

اذا كانت الاجابه، أسوأ من الاقسام الاخرى:

٣٠(ب) ماذا فعلت الادارة بخصوص ذلك؟

٣١(أ) هل يوجد سياسه لترقية العمال بالشركه؟

لا أعرف

لا

نعم

فى حالة الاجابة بـ(نعم):

٣١(ب) ماهو مضمون هذه السياسة؟

أود أن اتحدث معك الان عن تقارير الكفاية التى تعد عن

العمال فى القسم/ الادارة التى تعمل بها.

٣٢ - ماهو الهدف من اعداد تقارير كفايه عن العمال؟

٣٣(أ) كم مرة سنوياً يتم اعداد تقارير كفايه عن العمال فى القسم/  
الادارة التى تعمل بها؟

٣٣(ب) كم مرة، فى رأيك، يجب ان يتم اعداد تقارير كفايه عن  
العمال فى القسم / الادارة التى تعمل بها؟

٣٤(أ) من الذى يقوم باعداد تقارير كفايه عن العمال فى القسم/  
الادارة التى تعمل بها؟

٣٤(ب) ماهو دورك فى هذه العملية؟

٣٥- ماهى العوامل التى تؤخذ فى الاعتبار عند اعداد تقارير  
كفايه العمال فى القسم / الادارة التى تعمل بها؟

٣٦(أ) هل تعتقد ان هناك عوامل اخرى يجب اخذها فى الاعتبار؟  
نعم لا لا رأى

فى حالة الاجابة ب-(نعم):

٣٦(ب) ماهى هذه العوامل؟

٣٧- هل يعرف العمال فى القسم / الادارة التى تعمل بها نتائج  
تقارير الكفايه التى تعد عنهم؟

- دائماً - احيانا - نادرا - لا يحدث مطلقا



دائما، ٣٩(ب)، ٣٩(ج)، ٣٩(د) و ٣٩(هـ)

أحيانا أو نادرا، السؤال ٣٩

لا يحدث مطلقا، السؤال ٣٨ ثم ٤٠ .

٣٨ (أ) ماهو الافضل ، فى رأيك ، ان تكون نتائج تقارير الكفاية التى تعد من العمال:

— مـلـنـيـه — سـريـه — لا رأى

٣٨(ب) ماهو السبب ؟

٣٩(أ) متى يتم ذلك ؟

٣٩(ب) هل من حق العمال مناقشة تقارير الكفاية التى تعد عنهم؟

— دائما — أحيانا — نادرا — لا يحدث مطلقا

إذا كانت الاجابه، دائما أو أحيانا أو نادرا:

٣٩(ج) مع من تتم هذه المناقشة؟

٣٩(د) ماهو الهدف من هذه المناقشة؟

إذا كانت الاجابه ، لا يحدث مطلقا؟

٣٩(هـ) لماذا؟

٤٠(أ) هل تعتقد أن كل عامل يحصل على حقه فقط عند اعداد تقارير

الكفاية فى هذه الشركة؟

نعم لا لا رأى

٤٠(ب) لماذا تعتقد ذلك؟

٤١(أ) هل يوجد تعليمات مكتوبة عن كيفية اعداد تقارير الكفاية في

هذه الشركة ؟

لا اعرف

لا

نعم

في حالة الاجابة بـ(نعم):

٤١(ب) ماهو مضمون هذه التعليمات ؟

٤٢(أ) هل تلقيت اى تدريب من كيفية اعداد تقارير الكفاية اثناء خدمتك

في هذه الشركة ؟

لا

نعم

في حالة الاجابة بـ(نعم):

٤٢(ب) هل تم تنفيذ هذا البرنامج داخل الشركة ام خارجها؟

- داخل الشركة - خارج الشركة

٤٢(ج) ماهى مدة البرنامج؟

٤٢(د) ماهى محتويات البرنامج؟

٤٣(أ) هل تدون اى ملاحظات لتستخدمها عند اعداد تقارير الكفاية عن

العمال في القسم/ الادارة التى تعمل بها؟

لا

نعم

في حالة الاجابة بـ(نعم):

٤٣(ب) هل يمكنك اعطائى بعض الامثلة مما تدونه عادة؟

٤٣(ج) اين يتم الاحتفاظ بهذه الملاحظات؟

٤٤(أ) بشكل عام، هل تعتقد ان اعداد تقارير كفاية عن العمال

في هذه الشركة يعتبر أمرا ضروريا؟

نعم لا لا رأى

٤٤(ب) ماهو سبب ذلك؟

لقد تحدثنا حتى الان عن عدة اشياء . والان، اود ان اتحدث

معك من قواعد العمل والجزاءات في هذه الشركة.

٤٥- ماهو، في رأيك، الهدف الرئيسى من محاسبة العمال عند

ارتكاب اخطاء او مخالفات في هذه الشركة؟

٤٦(أ) هل تعتقد ان توقيع جزاء على العامل الذى يرتكب خطأ هو الحل

الاخير الذى يمكن للادارة ان تلجأ اليه ؟

نعم لا لا رأى

٤٦(ب) ماهو سبب ذلك؟

٤٧- هل تعتقد ان الادارة تتابع تنفيذ قواعد العمل في هذه الشركة

بطريقة:

- متشدده - معقوله - سهله - لا رأى

٤٨(أ) هل تعبر عن تقديرك للعامل الذى يقوم بعمل ممتاز في القسم/

الاداره التى تعمل بها؟

- دائما - احيانا - نادرا - لا يحدث مطلقا - لم يقرر

اذا كانت الاجابه ، دائما او احيانا او نادرا:

٤٨(ب) كيف يتم ذلك ؟

- شفويا - شكر للعامل في لوحة الاعلانات - خطاب شكر من

الادارة - اخرى ( تذكر ):

اذا كانت الاجابة ، لا يحدث مطلقا:

٤٨(ج) ماهو سبب ذلك ؟

٤٩(أ) هل تحذر العامل الذي يرتكب خطأ في عمله في القسم / الادارة

التي تعمل بها؟

- دائما - احيانا - نادرا - لا يحدث مطلقا - لم يقرر

اذا كانت الاجابة ، دائما أو احيانا أو نادرا:

٤٩(ب) كيف تحذر العامل؟

اذا كانت الاجابة ، لا يحدث مطلقا:

٤٩(ج) ماهو سبب ذلك ؟

٤٩(د) هل يحذره أحد غيرك ؟

٥٠(أ) هل سبق لك ان شاركت في اجراءات محاسبه اى عامل من مخالفة

قواعد العمل في الشركة؟

نعم

لا

في حالة الاجابة بـ (نعم):

٥٠(ب) هل يمكن أن تخبرني باخر حالة شاركت فيها؟



في حالة الاجابة بـ ( لا ):

٥٠ (ج) من الذى يقوم بهذا؟

٥١ (أ) هل تعرف الاجراءات الرسمية التى يمكن ان يتبعها العامل

اذا اراد أن يتظلم من اى شىء فى هذه الشركة ؟

نعم لا

في حالة الاجابه بـ (نعم):

٥١ (ب) ماهى هذه الاجراءات ؟

٥١ (ج) هل تعتقد ان هذه الاجراءات توفر حماية كافية للعمال؟

نعم لا رأى

٥١ (د) لماذا؟

٥٢ (أ) هل تلقيت اى تدريب من كيفية محاسبة العمال عند مخالفة قواعد

العمل؟

نعم لا

في حالة الاجابة بـ (نعم):

٥٢ (ب) هل تم تنفيذ هذا البرنامج داخل الشركة أم خارجها؟

داخل الشركة - خارج الشركة .

٥٢ (ج) ماهى مدة هذا البرنامج؟

٥٢ (د) ماهى محتويات البرنامج؟

اخيرا اود أن أتحدث معك عن التدريب فى القسم / الادارة التى  
تعمل بها.

هـ(أ) - عندما يتسلم عامل عمله لأول مرة فى القسم/ الادارة التى  
تعمل بها، من الذى يقوم بتدريبه؟

هـ(ب) - ماهى الاشياء التى يتم تدريبه عليها؟

هـ(أ) - هل تقوم باختيار العمال الذين سيتم تدريبهم خارج مكان  
العمل من القسم/ الادارة التى تعمل بها؟

نعم لا

فى حالة الاجابة ب(نعم):

هـ(ب) - كيف يتم اختيارهم؟

٥٥(ج) ماهو اهم عامل تراعيه فى الاختيار؟

فى حالة الاجابه بـ(لا):

٥٥(د) من الذى يقوم بذلك ؟

٥٥(هـ) هل تشترك فى عملية الاختيار ؟

نعم لا

فى حالة الاجابه بـ(نعم):

٥٥(و) كيف ؟

فى حالة بـ(لا):

٥٥(ز) ماهو سبب ذلك ؟

٥٦(أ) ماهى، فى رأيك ، درجة فائدة التدريب خارج مكان العمل

بالنسبة للعمال فى القسم / الادارة التى تعمل بها؟

- مفيد جدا - مفيد - غير مفيد - لا رأى

اذا كانت الاجابه ، مفيد جدا او مفيد:

٥٦(ب) من أى ناحية؟

اذا كانت الاجابه ، غير مفيد:

٥٦(ج) ماهو سبب ذلك؟

٥٧(أ) هل قامت الشركة بمكافأة العمال الذين تلقوا تدريب خارج

مكان العمل من القسم / الادارة التى تعمل بها؟

نعم لا

في حالة الإجابة (نعم) :

٥٧ (ب) ماهي هذه المكافأة؟

٥٨ (أ) هل ترى أن العمال في القسم/ الإدارة التي تعمل بها يمكن أن يستفيدوا من حضور برامج تدريبية معينة خارج مكان العمل ؟

نعم لا لا رأى

في حالة الإجابة بـ (نعم):

٥٨ (ب) ماهي هذه البرامج؟

٥٨ (ج) هل لديك خطة لحضور العمال هذه البرامج؟

نعم لا

في حالة الإجابة بـ (نعم):

٥٨ (د) أرجو امطائي نسخة من الخطة ؟

٥٩ (أ) هل تعتقد أنه سيكون من الممكن أن يحصل العمال على هذا التدريب؟

بالتاكيد - من المحتمل - من غير المحتمل - لا رأى

٥٩ (ب) لماذا تعتقد ذلك ؟

في النهاية، أود أن اعرف برامج التدريب التي حضرتها أنت من قبل سواء داخل الشركة أم خارجها أثناء خدمتك في هذه الشركة.

٦٠ (أ) هل حضرت أي برامج تدريبية داخل الشركة ؟

نعم لا

في حالة الإجابة بـ (نعم):

٦٠ (ب) ماهي هذه البرامج؟





٦٢(أ) هل هذا البرنامج مفيد لعملك؟ ( لكل برنامج على حده )

- مفيد جدا - مفيد - غير مفيد - لا ينطبق - لا رأي

إذا كانت الاجابه ، مفيد جدا أو مفيد:

٦٢(ب) من أي ناحية؟

إذا كانت الاجابه ، غير مفيد:

٦٢(ج) ماهو سبب ذلك ؟

هل لديك أي بيانات أخرى تود اضافتها؟

شكرا على تعاونك !

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